SENATE—*Thursday, February 2, 1995*

(Legislative day of Monday, January 30, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven, and will forgive their sin, and will heal their land.—II Chronicles 7:14.

God of Abraham, Isaac, and Israel, God of our fathers, we are grateful for this Old Testament promise giving us the formula for the healing of a nation. In the light of this promise, thank Thee for the National Prayer Breakfast this morning which brought together leadership from every State and more than 150 nations in recognition of the indispensability of prayer.

Grant us to see, O God, that the way to national health—socially, culturally, and economically—is the way of prayer. Give us, who profess to be Your people, the grace to humble ourselves, to pray, to seek Your face, and to turn from the secularism which obliterates all sense of God and faith and spiritual reality.

Governor of the nations, lead us in the way that will bring healing to our land.

We pray in the name of the Lord of History. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

RESERVATION OF LEADER TIME

Mr. LOTT. Mr. President, this morning the time for the two leaders has been reserved.

SCHEDULE

Mr. LOTT. There will now be a period for the transaction of routine morning business until the hour of 10:30 a.m., with Senators permitted to speak for up to 5 minutes each with the following Senators permitted to speak for the designated times: Senator MURKOWSKI for 20 minutes, Senator CONRAD for 15 minutes, Senator DORGAN for 10 minutes, and Senator CAMPBELL for 10 minutes.

At 10:30 a.m. the Senate will resume consideration of House Joint Resolution 1, the constitutional balanced budget amendment.

Mr. President, I seek recognition at this time in my own right, and I ask unanimous consent that my remarks be printed in the RECORD after those of Senator MURKOWSKI and Senator JOHNSTON, with regard to the Department of Energy Risk Management Act of 1995.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Without objection, it is so ordered.

The Senator from Mississippi is recognized.

Mr. LOTT. I thank the Chair.

(The remarks of Mr. LOTT pertaining to the introduction of S. 333 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MURKOWSKI addressed the Chair.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not to exceed 5 minutes.

Under the previous order, the Senator from Alaska is recognized to speak for up to 20 minutes.

Mr. MURKOWSKI. Mr. President, I wish the Chair a good day.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 333 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota [Mr. CONRAD] is recognized for up to 15 minutes.

Mr. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 332 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.)

Mr. CONRAD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota [Mr. DORGAN] is recognized to speak for up to 10 minutes.

FEDERAL RESERVE BOARD ACTION

Mr. DORGAN. Mr. President, yesterday I came to the floor before the Federal Reserve Board had finalized action, worried about whether they would once again make another very large mistake with respect to increasing interest rates and further injuring the American economy.

Of course, we know from news yesterday that the Fed raised short-term interest rates again. Seven times in a year the Federal Reserve Board has met in secret and then told the American people they have decided that for the country's own good, interest rates must once again go up.

I was looking again at the Constitution, and the Constitution under article I, section 8, says: "The Congress shall have the power to coin money, regulate the value thereof," et cetera, et cetera. The interesting thing about the Federal Reserve Board, it is a creature created by the Congress in the early 1900's with a national promise that this will not become a strong central bank. Of course, it has become a strong central bank, accountable to no one.

I said yesterday that they apparently view themselves as a set of human brake pedals, whose mission in life is to slow down the American economy. Well, unfortunately they will succeed beyond their wildest dreams. I think they risk throwing this economy into another recession.

More importantly, their actions mean that virtually every American will pay more credit card interest; those millions of families out there with adjustable rate mortgages will find that their home payments are going to go up. I had a fellow tell me recently, "I am paying $115 a month more now than a year ago because my adjustable rate mortgage was adjusted." And I said that resulted not from some democratic action, not some concerted action in Congress where there was a big debate and a discussion about what should be done; that happened because of a group of central bankers. They went into a room, shut the door, and made a decision outside of the view of the public citizens to increase interest rates.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

It will impact virtually every American. But more importantly, in my judgment, it risks throwing this country back into a recession.

I just do not understand why the current Federal Reserve Board apparently feels unemployment should never go below 5 percent and economic growth somehow should never be more than 2.5 or 3 percent. Where on Earth did they get these notions? What schools out there could possibly teach this kind of nonsense?

There is not much we can do about what the Fed did yesterday, but shortly I intend to reintroduce the Federal Reserve reform legislation that I have sponsored previously. I would introduce this even if rates were going down, so it is not just that they are going up that causes me to come and describe to my colleagues what I think we should do. But I am very concerned that rates are going up at a time when they should not be going up, when there is no credible evidence of inflation—none. Inflation is down 4 straight years. Last year, 2.7 percent.

Mr. Greenspan, with whom I disagree substantially, says, "We think it overstates inflation by up to 1.5 percent." If that is the case—I do not agree with that. But using his own numbers and his own logic, maybe inflation is only 1.2 percent. If that is really the case, then what on Earth are they doing raising interest rates seven times? How can one conclude that inflation is somehow on the cusp of being out of control if it is 1.2 percent? Again, I do not know just what kind of air they are breathing that can cause this kind of internal chaos and this kind of unusual thinking.

We cannot do much about yesterday, but we sure can do something about tomorrow in terms of how decisions are made about monetary policy. Should decisions be made by a bunch of politicians? No, I do not think so. There are not enough cigars in the world to pass around to give politicians the opportunity to close the door and make their own decisions about money. I do not agree with that. That is not my suggestion. But should monetary policy be conducted outside of the view of the American public in some closed room by a bunch of central bankers who serve their constituency, not ours? The answer is no. It is the wrong thing. We should change it. Congress created the Federal Reserve about 80 years ago. We should change it.

How would we change it? I recognize the minute we talk about changing anything here Wall Street has an apoplectic seizure. But most anything gives Wall Street seizures. Let us talk about what ought to be done and let Wall Street worry about its future.

What ought to be done? Well, first of all, we ought to pass a Federal Reserve reform bill that says the following: Nobody ought to vote on monetary policy in this country in any room, locked or unlocked, unless they are accountable to the American people. And the fact is those who voted in the Open Market Committee on interest rates yesterday and who are the regional Fed bank presidents are neither appointed by the President of the United States, nor are they confirmed by the Congress. They are unaccountable to anyone except their boards of directors, the majority of which are private bankers. None of them should ever cast a vote on the Federal Reserve Board Open Market Committee. No regional Fed bank president ought to have a vote on that committee. That is No. 1.

No. 2, I think there ought to be immediate disclosure. There has been, incidentally, in recent months, immediate disclosure of actions by the Fed. When they take action in secret, it ought to be disclosed immediately. I have read stories about people using voice stress analyzers on speech by the Fed Chairman after a meeting was held and they made a decision in secret but are not set to announce it until later. So somebody is using voice stress analyzers on the voice of the Chairman to figure out what has happened in the room. That is how bizarre the secrecy at the Fed has become. It has persuaded people to try to penetrate the secrecy.

So, make a decision and announce it immediately. Let the small investor know as much as the big investors think they know.

Third, I think that the Federal Reserve Board budget ought to be published in regular order and in regular form in the budget of the United States, and I think it ought to be subject to performance audits. The Federal Reserve Board ought to be like other Federal agencies and accountable.

Fourth, I believe the Federal Reserve Board ought to meet on a formal basis with the executive branch of Government, especially the Treasury Secretary, who is involved in fiscal policy. If we have monetary policy on the left hand and fiscal policy on the right hand, the two ought to talk a little bit to figure out which direction they are going.

We have had circumstances in the past where they looked like they were riding a bicycle built for two, with fiscal policy on the front end trying to chug uphill and monetary on the back end trying to keep the brakes on. And they get somewhere near the cusp of the hill, and they are talking to each other and one says, "We are exerting a lot of pressure to get away," and the other says, "We are putting the brakes on."

What sense does that make? There ought to be some coordinated policy in this country, or at least some understanding of what one is doing relative to the other.

Those are the things that I think need to be done to make changes in the Federal Reserve Board. Very modest changes. This is not taking the Fed and flipping it upside down and shaking the daylights out of it. It is not doing that. Would I like to do that? Maybe. But am I proposing that? No, I am proposing very modest steps.

Even these steps, interestingly enough, are largely too much for most Members of Congress, because they say, "Oh, Lord we don't want to get involved in that. We don't want to talk about the Fed. It is some mysterious priesthood of action and language down there which we don't understand. Let's not interfere with it. Those who want to talk about this basically want to put politics right in the middle of the Federal Reserve Board System."

Nonsense. Total baloney. We ought to do this. We ought to at least give the American people some notion that monetary policy constructed in this country is of, by and for all the people, not just the constituency of the big money center banks that is represented so well and so consistently by current policies of the Federal Reserve Board.

I hope I do not come to the floor again in the months ahead to be critical of the Federal Reserve Board. My preference would be to praise the Federal Reserve Board for doing the right thing. But they are doing the wrong thing. It is time for us to say when the Federal Reserve Board is on the wrong course doing something that is going to injure this country. When the Fed feels its role is to be a human brake pedal to slow the country down and risk throwing it into a recession, it is time for some of us to stand up and say this makes no sense for our country.

I come from a State that is a heavy user of credit—agriculture. The family farmer plants in the spring and does not get a crop until fall. They need to use credit to tide them over during the year.

Do you know what sort of behavior this does to a family farmer? It is an enormous hit for a family farmer or rancher. This substantially increases their costs. Farmers in North Dakota will pay, on average, thousands of dollars more in interest payment because of the Fed's actions this past year. Did they have any opportunity to participate in these decisions? Any voice at all? No. The interest of the family farmer or rancher out there is subordinated to the interest of the money center banks. I guarantee you, the interest of the money center banks is present, front and center in that room when these decisions are made.

But I also guarantee you that there is not anybody in that room talking about my Uncle Joe, about people who produce things, about the farmers out there who are planting and hoping, about the ranchers who are working in subzero weather trying to make sure

their cows are all right and then come to the bank at the end of the year and decide they have substantially increased costs. It has nothing to do with their cows, but it has to do with some folks down there behind a closed door at the Federal Reserve Board.

This ought to change. I would not be here if I thought the Federal Reserve Board was on the right track and doing the right things for our country. I feel so strongly they are not. I think the Fed is moving in a direction counterproductive to this country's interest.

That is what persuades me to talk and to, once again, want to introduce this legislation. Let me in 1 final minute read something from the Washington Post today. After yesterday's action by the Federal Reserve Board, it is not, I suppose, surprising for anyone to see a quote:

Many Wall Street analysts, however, praise the course of Fed policy.

I tell you what, that probably is not very surprising to most Americans. Many Wall Street analysts praise the Fed policy. Of course they praise the Fed policy. Who do you think the Feds are doing this for? It is not Main Street, it is not the family farmer, not the rancher, not the working person out there.

So I guess when previous Fed Reserve folks said to Members of Congress at a hearing, "We are serving our constituency"—that is what they said arrogantly—we know who their constituency is. But it is different than our constituency, and that is the dilemma.

I hope one of these days there is a reconciliation in this country about who monetary policy is created and fashioned for and in whose interest it now serves.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE CLINTON PLAN TO ASSIST MEXICO

Mr. DODD. Mr. President, on Tuesday, January 31, President Clinton announced that he could no longer wait for the Congress to act on the Mexican loan guarantee legislation that he had proposed to assist Mexico with the serious economic crisis it confronts. Instead, he has decided to act now to stem the tide of negative expectations that threatens to overwhelm Mexican exchange and financial markets. Utilizing existing executive authority, the President has indicated that the United States will make available a $20 billion swap arrangement through the Exchange Stabilization Fund.

The President, to his credit, has also enlisted the substantial involvement of the international community in this latest initiative. The International Monetary Fund will provide an unprecedented level of assistance—$17.5 billion, and the European Community through the Bank for International Settlements will make $10 billion available to this effort. Taken together, this package should be more than sufficient to deal with the adverse market psychology that had developed over the inability of Congress to act on the guarantee proposal.

I believe that the President's decision is the right one in light of the potential threat that the current instability poses, not only for Mexico, but for our economy as well. It is important to remember that Mexico has been an important player in the United States economic picture. Mexico has been our third largest trading partner. The United States has represented two-thirds of Mexico's worldwide trading activities. Up until now, Mexico has been an important and growing market for United States exports—we sold nearly $50 billion of our products there in 1994. Some 770,000 American jobs depend on our trade with Mexico. U.S. investors also have a stake in the current situation. Not just large New York bankers and Wall Street investment brokers—but thousands of other Americans through their involvement in pension and mutual funds.

Even my State of Connecticut, thousands of miles from Mexico's border, stands to reap the benefits of a vibrant Mexican economy, or alternatively suffer the pain of a collapsed one. In 1993 nearly 7,000 Connecticut workers were employed in producing products destined for sale in Mexico at a value of $365 million. My State is by no means unique on this score. California, Texas, Arizona, New Mexico all have an enormous stake in Mexico's economic health.

That Mexico has a serious problem is not in question. Its financial and currency markets have been in a frenzy over the last several weeks. The peso has lost more than 50 percent in value. Yesterday, the peso reached a historic low at 6.3 pesos to the dollar. The Mexican stock market has been rocked as well. The Zedillo government has been unable to refinance most of its debts coming due thus far this year—obligations that will reach $80 billion by year's end. Unless this crisis of confidence is reversed and markets stabilized, the Mexican economy will slide into serious recession and its financial system will all but collapse.

Clearly, the Mexican Government must take steps to help itself. And it has done so. On January 3, President Zedillo announced an emergency economic program designed to stabilize the economy—allow the peso to float, reduce Government expenditures, accelerate Mexico's privatization program for state enterprises, conclude a wage-price accord with business and labor in order to contain inflation, and open the Mexican financial sector to foreign investment. Despite these efforts, the crisis of confidence continued.

I for one am firmly convinced that President Clinton has made the right decision in proposing that the United States intervene in order to restore confidence in Mexico's economy. It makes good economic sense. It makes good foreign policy sense. The American people stand everything to gain from a stable and prosperous Mexico. And, much to lose from one that is in disorder and poor.

If we sit back and do nothing, millions of Mexicans will lose their jobs. This will produce social and political tensions. It will also put additional pressure on our borders as Mexicans seek alternative sources of employment in the United States, further heightening tensions over immigration between the United States and Mexico.

To those who point to NAFTA as an explanation for the current economic crisis facing Mexico, I would say that they could not be more wrong. If anything, it is because of NAFTA that there is a clear framework for resolving the current economic problems confronting Mexico. Many Americans currently doing business in Mexico have indicated that they intend to stay the course, to remain engaged, to ride out the current fiscal storm. Why? Because they believe that the Mexican economy is fundamentally strong. A principle reason they hold that view is because NAFTA has ensured the continuity of fundamental market reforms that has made it possible for Americans to sell products and do business there. Were it not for NAFTA, the crisis in Mexico would be far deeper and far more protracted.

I commend Majority Leader BOB DOLE and Speaker NEWT GINGRICH for their willingness to act in a bipartisan fashion to assist the President in moving the original guarantee proposal through the Congress. Regrettably they were unable to garner the necessary bipartisan support required to pass the legislation in a timely fashion. I think that the President was right in the judgment that the Mexican economy could not withstand the battering of another several weeks of uncertainty over whether the United States assistance would be forthcoming.

Mr. President, we engage in vigorous debate in this body day in and day out. Debate is clearly an integral part of the legislative process. However, from time to time, an issue comes before the Congress that is so important and so sensitive that it mandates that partisan politics be set aside and that we come together in support of the President. I believe that the situation in Mexico is just such an issue.

Mexico and the United States have had a long and enduring friendship. We

share a 2,000-mile common border. We share a common commitment to democracy, liberty, and human freedom. We are partners in a global economy that has inextricably linked our fates. For all of these reasons, United States' interests are served by helping Mexico at its moment of need. I call upon all my colleagues to get behind the President in support of this effort—it is in the interest of all Americans that this initiative succeed.

NATIONAL SERVICE

Mr. SARBANES. Mr. President, I was proud to cast my vote for the National and Community Service Trust Act of 1993 when the conference report came before the Senate for final approval last September. This was important legislation intended to marshal the Nation's best resources—its citizens—to confront the many pressing problems facing communities across the country. The National Service Act, signed into law on September 21, 1993, has helped renew the ethic of civic responsibility and the spirit of community service throughout the United States while also providing critical assistance in meeting vital human, educational, environmental, and public safety needs.

In light of this, I am troubled by recent statements by the House Republican leadership expressing opposition to national service, describing it as gimmickry and coerced voluntarism. I would urge those who put forward these views to look carefully at the new national service program's centerpiece, AmeriCorps, a national network of local youth service corps. Unlike previous volunteer-based programs, AmeriCorps is not one large Federal program, but a network of locally developed and locally managed service corps which will give thousands of young people the kind of opportunity earlier generations had to serve their country and improve their own lives as well as those of their neighbors.

I am proud that my own State of Maryland has been a leader in the area of national service. The tremendous number of volunteer organizations across the State deserve credit for the enormous difference that volunteers have made and continue to make in Maryland each and every day. Maryland has very deservedly been the recipient of a number of first round AmeriCorps grants. I was privileged to be with the President during the official kickoff of the AmeriCorps Program at Aberdeen Proving Ground last September, the first campus selected under the National Service Act as a cite for the National Civilian Community Corps [NCCC]. Using a converted barracks, the NCCC campus at Aberdeen houses 250 young adults who work in 10-member teams on projects throughout Maryland, the Northeast, and the Mid-Atlantic. The program emphasizes conservation of natural resources, public safety, and the educational and human needs of children and older Americans.

I was also privileged to meet earlier with members of Community Year in Montgomery County, Civic Works in Baltimore, and the Maryland Conservation Corps to discuss their critical efforts to rehabilitate housing for low-income families. More recently, my wife was able to visit an AmeriCorps site at Frostburg State University in western Maryland. The local program, named Appalachian Service Through Action and Resources or A STAR, provides many types of assistance in areas involving social service and the environment. Participants perform duties as varied as coordinating environmental projects at Deep Creek Lake, developing Victory Gardens in Garrett County, working with local Head Start programs in recruiting volunteers, providing independent living assistance enlarging area food pantries, and establishing youth literacy programs.

Mr. President, it is my view that national service, and those who participate in it represent the best of our Nation. AmeriCorps and other programs under the National Service Act of 1993 carry forward an idea rooted in the best traditions and values of America—the tradition of serving others, the value of taking personal responsibility for ourselves and our communities, and the belief that to whom much is given, much is expected. Through programs like AmeriCorps we are providing our Nation's young people with both an opportunity and an obligation. It asks them to put something back into the community while also providing them an opportunity to develop skills which will serve them well throughout their lives.

As I have indicated through examples in my own State, the national service program is working. Nationwide, there are other examples—the executive director of the National Association of Police Organizations has called AmeriCorps a huge boost in the arm for law enforcement; officials of the Federal Emergency Management Agency say that participants in AmeriCorps have helped thousands of disaster victims pick up the pieces of their lives; Habitat for Humanity says they could not do their job without such individuals.

In my view, Mr. President, those who have answered the call to service by participating in AmeriCorps and other national service opportunities are taking part in the oldest and best of America's traditions—a spirit of service. I would ask those who have criticized legislation which has furthered national service to look again at the important efforts underway which serve to produce stronger families and stronger communities, and to join me in commending those who are taking part in this important renewal of service to our Nation.

THE RETIREMENT OF RICHARD COLLINS

Mr. INOUYE. Mr. President, on January 31, Richard Collins of the staff of the Senate Appropriations Committee retired. Mr. Collins has served the committee and the Senate for the past 20 years. It has been my pleasure to have worked closely with Richard throughout that period. Richard served as the clerk and staff director of the two subcommittees I had the fortune to chair in the 1980's and 1990's, Foreign Operations and Defense.

In each of these positions Richard has served me and the Senate professionally and faithfully. I will miss his knowledge and counsel in the days and years ahead. I can take some solace knowing that Richard plans to remain in the Washington, DC, area. And, I know we shall call upon him often to provide the type of guidance that we have counted upon for the past 20 years.

Last Thursday night, the friends of Richard Collins gathered to wish him a farewell and happy retirement. On that occasion, Richard spoke eloquently about his career in the Senate, his many and varied experiences, and what it meant to him to be a staff member for this body. He spoke of his affection and reverence for the institution, the relationship between Members and their staff and the importance of staff in the operation of the Senate. I know that many of my colleagues were in attendance that evening and had the good fortune to hear this gentleman's farewell remarks, but I believe the words and thoughts should be shared with all my colleagues. Therefore, today I have risen to place Mr. Collins' address in the RECORD.

Mr. President, there are some 5,000 congressional staff members serving the House and Senate. They are bright, hard working, and virtuous. Richard Collins has been one of the finest for many years. The Senate will miss him.

I ask unanimous consent that the text of Richard Collins' address be included in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FAREWELL MY FRIENDS

My friends, I am pleased and honored that all of you have come here to share in this celebration, this farewell. As you may well understand, in the twilight of my career in the Senate, I am tempted to delay the end of the day, to speak at length and to try to reach each of you with a shared memory, a common experience, a touch of friendship.

I will not do that now; it does not seem necessary. The memories will linger, and try to as we might, our experiences can never be relived as fully as we would wish (but we have had them); and, in any event, you know, already, that you are my friends. I

will take but a brief moment, then, to burnish those memories and to express my deep appreciation to you and to those with whom and for whom I have worked.

First, I will say that I yield to no one in my love and respect for the institution that I have tried to serve for the past two decades. In my time here I have learned that the Senate—the Congress—is, indeed, a reflection of the American people. Now and then there may be a whiff of scandal, of human frailty, but I think of greater importance and of more lasting significance is the courage and heroism of those who rise every day and strive to do what is right for America and her people. I, and you, each of you, have been privileged to be a part of that. For this, we should be eternally grateful.

This is no easy task, this coping with daily life. Chekhov said, "Any idiot can face a crisis—it's this day-to-day living that wears you out." He may have had something there.

It's true, as I have contemplated my retirement and the onset of a new career, I have asked myself, do you have the energy and resolve to start again?

Ubetcha!

I find myself remembering the advice of the American philosopher and baseball player, Leroy Robert Paige. Among the sayings of the great "Satchel" Paige perhaps the best known is, "Don't look back. Something might be gaining on you." My favorite, however, is his dismissal of those who put too much weight of the chronology of age. He said, "How old would you be, if your didn't know how old that you was?"

I am not worn out nor weary; I know that I will age, but I am not going to grow old. I look forward to new challenges and I will seek new ways to serve. I intend to set sail again.

I am deeply, profoundly, honored to have known and worked with Senator Inouye, Senator Hatfield, Senator Stevens, and Senator Byrd—all my chairmen, all my leaders, all my mentors, and friends.

There are many others, some of whom are still in the Senate and some of whom are gone. I remember them all. John Stennis, Lawton Chiles, Jake Garn, Tom Eagleton, Malcolm Wallop—so many more who are no longer in the Senate. Barbara Mikulski, Chris Dodd, Joe Lieberman, Don Nickles, Pete Dominici, Judge Heflin, and many others who still serve.

I have so many special memories—few have listened to the hopes of Peace Corps volunteers in the distant reaches of Africa as they spoke of bringing water for the first time to humble villages; few have met and wept for the children in refugee camps on the Cambodian border; few have stood with Senators Inouye and Stevens and Nunn and Warner in the desert of Saudi Arabia and listened to the proud declarations of our soldiers who accepted and fulfilled America's responsibility in the world—few have been shot down in a helicopter over Central America with Bennett Johnston and lived to hear him tell the tale—both harrowing experiences, I assure you.

I have done these things. I have seen much. I have spent the night in palaces and in truck stops. I have slept under the sea and on the desert. I have been with kings and vagabonds.

In my career, I traveled widely and learned a great deal—how precious our democracy is, how much we are linked with the world, how freedom and justice and human rights are indivisible. John Donne was right when he wrote, "No man is an island * * * any man's death diminishes me, because I am involved in mankind." I believe my experiences, my travel to foreign lands and in strange cultures, seasoned my academic learning and enabled me to bring prudent judgment to my work in the Senate. I believe the same is true for Senators. Foreign travel, exposure to other cultures and other governments should not be ridiculed; it ought to be required of those who would seek to make America's way in the world.

Over the years, I learned from the humility and courage of others. I remember the resolve of Robert Byrd when he quoted, not Shakespeare, not a history of the English people, but William Ernest Henley's poem "Invictus."

In the fell clutch of circumstance
I have not winced nor cried aloud.
Under the bludgeoning of chance
My head is bloody, but unbowed.

Chairman Byrd read that poem on the floor the day after the Democrats lost control of the Senate in 1980. He inspired us to carry on.

I remember the grace and charity of Chairman Hatfield, when he called all of the appropriations staff together after that election and thanked us—winners and losers—for the work we had done and would still do. We felt like soldiers at Gettysburg listening to Lincoln as he praised the sacrifices of men on both sides of that terrible battle.

Throughout these 20 years and more, throughout it all, my liege, foremost among those I have sought to serve, has been Dan Inouye of Hawaii. He is a man of great courage and integrity; a man who has suffered much, achieved much, and has heard both the thunder of applause and the whisper of unfair and unjust accusation—and he is a man who has always risen to renew his service to his country, to the Senate, and to the people of Hawaii.

Some of you know of my recent match with prostate cancer—it's OK now, all is well. But, let me say that the example of Dan Inouye, this man of strength and courage was the compass by which I guided my behavior as I went through that difficult passage. No honor has ever meant as much to me as hearing him call me friend.

Well now, Senator Inouye once told me about the zori mochi. He said, in ancient Japan, when the Emperor went out for an evening, among his retinue was one man who sounded a gong to alert others that the Emperor was coming. Another carried a latern to light the way. The lowliest of all was the zori mochi whose responsibility—when the Emperior removed his sandals to enter a household—was to clutch them to his breast to keep them warm for the Emperor's return. His sole object in life was the comfort of the Emperor. The story was not lost on me.

Another man, from whom I also learned a great deal, expressed this concept a little more directly. Bill Jordan once told me, "Collins I brought you here to hold the ladder steady while I climb to success; if I ever catch you with your foot on the bottom rung * * *" Well, I don't think he meant it that strongly, but as someone once remarked, the difference between Bill and Richard is that sometimes when he's kidding, Richard's kidding.

Many, many others have taught me along the way:

Senator Stevens: "There is no education in the second kick of a mule."

Senator Chiles: (Explaining why, during a late night session, he supported a favored colleague on what I regarded as a dumb amendment) "Richard, sometimes you have to bet on the jockeys and not the horses."

And then there is another wise man, who shall remain anonymous, who once told me: "It is easier to get forgiveness, than it is to get permission." (Libby and Julia, you can forget that.)

I carried these expressions and others with me throughout my Senate career as though they were amulets in a medicine bag to be pulled out as needed and rubbed for luck or to ward off evil. I've used them with many of you, sometimes—often—not giving credit to those who originated them.

Now, I have spoken about the legendary zori mochi and about service to Senators and the Senate and believe me I do trust in and have followed that ethic. My colleagues and I adhere to the ethic that service to Senators and to the Senate is our purpose in being here. We are proud to be on the staff of the United States Senate.

Pat Leahy is fond of saying that Senators are merely a constitutional impediment to the full authority of staff. I know he's kidding. I am certain he would agree that staff are important. I think they are essential to the operation of the Senate.

It happens that some people attribute all success, all good works to Senators alone. I do not fully agree. Perhaps the best way to explain my view is to recall a story my grandfather—a swamp Yankee farmer from Connecticut—once told me. His name was Everett Thompson. One day he was out in one of his fields, tilling the soil. The rock walls which surrounded the land which had been cleared of trees and stone gave testimony to the hard work he had put into the farm. On this day, a circuit preacher came riding up, saw my grandfather and said, "Why Mister Thompson, this is a wonderful farm which the Lord and you have made." My grandfather took out his large red farmer's handkerchief, wiped his brow, and said, "Maybe so, but you should have seen it when the Lord had it by himself."

I do think staff is important. I think the sacrifices which we ask of the young who come to work here places a great responsibility on us, Senators and senior staff alike, to ensure that their dedication to the principles of democracy and representative government is nourished and strengthened. There will be partisan battles, to be sure. But we must also remind them, by our example and by our counsel, of the greatness of this institution.

That greatness, I fear, is sometimes lost in the thickets of procedure. Reconciliation has in recent years come to denote that onerous process by which the faulty spending estimates of the budget committees are matched to the faulty revenue estimates of the CBO. To me, another kind of reconciliation has always been the wonder of this place. How to effect peaceful social change? How to reconcile the views of a Paul Wellstone with those of a John McCain, giving each a fair hearing and then moving to decide what is best for democracy, best for America. That is the Senate I revere.

It is of surpassing importance that the Senate recruit, reward, and recognize its staff. We must have the best; we must pay them competitive wages; we must acknowledge their contribution to the legislative process.

All of this talk about limited terms—if they are enacted, power will flow to the staff as the source of memory and knowledge; if staff is cut too far; special interest groups will become the source of information and power. We can and should reduce staff; but we must be careful; they have become a key part of the process.

I am not too worried about all of this. Staff has been a part of Government for

thousands of years. I know, because just the other day I read in the Bible, "And Joseph leaned on his staff, and he died."

My friends, I have gone on too long. I could have spared you all of this by reading a few lines of poetry. I have found poetry—the distillation of human emotion and experience—to be a great source of comfort, insight, and inspiration over the years. The poem which best sums up who I am—at this stage in my life—is Tennyson's "Ulysses." I will leave you with a few fragments from this great work.

Much have I seen and known; cities of men
And manners, climates, councils, governments * * *
I am a part of all that I have met;
Yet all experience is an arch wherethrough
Gleems that untravelled world, whose margin fades
For ever and for ever when I move.
How dull it is to pause, to make an end,
To rust unburnished, not to shine in use!
Some work of noble note, may yet be done
Tis not too late to seek a newer world
Though much is taken, much abides; and though
We are not now that strength which in old days
Moved earth and heaven; that which we are, we are;
One equal temper of heroic hearts,
Made weak by time and fate, but strong in will
To strive, to seek, to find, and not to yield.

Thank you my friends. Thank you for your friendship, your counsel, your encouragement. Thank you for your work, which made mine worthy.

THE RETIREMENT OF PHILIP A. HOLMAN, DIRECTOR OF THE DIVISION OF POLICY AND ANALYSIS IN THE OFFICE OF REFUGEE RESETTLEMENT

Mr. SIMPSON. Mr. President, I rise today to recognize a most distinguished public servant who is retiring this month after nearly 33 years of Federal service. Phil Holman, the Director of the Division of Policy and Analysis in the Office of Refugee Resettlement is a man that I and my fine staff on the Immigration Subcommittee have worked with for many years.

Phil Holman joined the Cuban Refugees Program in 1962, shortly after it was established by President Kennedy. He spent virtually his entire Federal career in the refugee resettlement program: from the early 1960's Cuban refugee flow beginnings to the 1975 Indochinese Refugee Assistance Program to the current domestic program established under the Refugee Act of 1980. Phil Holman's career has certainly come full circle as we struggle today with the current Cuban migration crisis.

Millions of refugees admitted to the United States in the past 33 years have had their new lives touched in some way by Phil Holman's work. His decades of service are deeply appreciated, and I would urge my colleagues to join me in expressing our gratitude for a fine job well done.

FATHER WILLIAM CUNNINGHAM AND FOCUS: HOPE

Mr. ABRAHAM. Mr. President, recently the Committee on Labor and Human Resources, on which I serve, held 3 days of hearings on reforming the Federal Government's system of job training programs.

Over the course of the hearings, the committee heard testimony from a wide array of interested parties: Clients of training programs; experts from academia and think tanks; businessmen, organized labor, and the General Accounting Office. Wisconsin Gov. Tommy Thompson appeared and testified about the laboratory the various States provide, where some of the most innovative reform ideas are already at work. In addition, Secretary of Labor Robert Reich and OMB Director Alice Rivlin presented the administration's perspective on what shape reform of the system should take.

However, this Senator thought the most interesting testimony came from the last panel to appear on the hearing's final day. Chairman KASSEBAUM wished to supplement the testimony of the usual array of witnesses with perhaps less conventional viewpoints. She selected individuals from around the country who have personally been involved in starting and administering innovative, community-based training and education programs. One of the individuals she invited to participate was Father Bill Cunningham, the executive director of the Focus: Hope Program in Detroit, MI.

Focus: Hope and Father Cunningham are certainly not strangers to the Labor Committee. Just last September, Father Cunningham appeared before the Labor Committee to testify about the Focus: Hope Program and its work in educating and training people. It is a testament to his dedication and success that Father Cunningham would be invited to testify by both Democrats and Republicans when each had control of the Labor Committee.

Mr. President, Focus: Hope is often described as unorthodox in its methodology. It is certainly unorthodox in one respect: Unlike the vast majority of Federal job training programs, Focus: Hope actually works. It produces real and lasting results; of course, that might seem unorthodox in this town, which sometimes appears immune to outrage over wasted tax dollars and obsolete or ineffectual social programs.

Let me offer a glimpse of the mindset which makes "Focus: Hope so unique and—I believe—so successful. An article appearing in the March 1994 issue of "Ward's Auto World" noted that father Cunningham saw Focus: Hope's mission this way:

Focus: Hope remains at its core a civil rights organization, but [Father Cunningham] cites [their] machinist training effort as simply a new approach. Father Cunningham says of 200 machine shops that hired graduates from the [Focus: Hope] machinists institute, all except two were hiring their first African-American or woman. We could have been suing them, he shrugs.

Mr. President, while some groups are obsessed with talking about expanding opportunities, Father Cunningham's approach is a breath of fresh air. He believes the best method for truly empowering people is to educate them, teach them a marketable skill, develop in them responsibility, motivation, and maturity—not simply to file a lawsuit on their behalf.

For the benefit of any of my colleagues who are not familiar with father Cunningham's work, let me offer a few quotes from his testimony:

I would emphasize advanced job skills representing new technologies, future technologies. In that vein, I would require that defense and commerce play a larger role in establishing national skills priorities * * * We must understand and balance the difference between providing jobs for the people—and everybody's hearts ought to be in that—and keep attention on providing capable and skilled persons for job demands. That is an entirely different picture.

The industry was changing so rapidly that the machinist of 1981 was completely inadequate for the machine tools of 1988, the computer and numerically controlled machines. * * * In 1993, the state of the art is already catapulting so rapidly in technology that—well, I will just give you one figure. A lathe in 1981 with 3,000 RPM is replaced by Ingersol, by a machining center, with 60,000 RPM.

The universities are still dealing with the engineering code of 1970. So what we are doing is very expensively putting all these kids through college, getting them engineering degrees, and then when they go to work for Ford Motor Co., they have to spend another 6 years training them.

Finally, let me highlight one observation that was agreed to by everyone on Father Cunningham's panel. Chairman KASSEBAUM inquired about the efficacy of requiring people to obtain employment first before receiving a voucher for further job training. It was noted that often the most effective training and education programs are those in which people both work and go to school either for education or to learn a particular skill. On that point, Father Cunningham offered his insight based on his work at Focus: Hope:

I am in total agreement with my colleagues up here. The masters program we have in engineering at Focus: Hope requires a 40-hour workweek, and that is not work-study. It is not work-study * * *. The work they do and the skills they are developing dictate the knowledge they need to draw down. And if the university cannot provide that knowledge, the university is irrelevant. So the knowledge drawdown assimilates knowledge at, as I said earlier, geometric proportions. So the young people there are learning four and five and six times faster than the normal engineering candidate at a major university, simply because they are seeing the relevance of what they are learning in terms of the demands of the workplace.

Mr. President, judging by the testimony provided to the committee during the 3 days of the hearing, Focus: Hope is precisely the type of program we should be attempting to replicate around the country. However, the lesson is not that the Government should dictate that all recipients of Federal dollars exactly mirror Focus: Hope in concept and design, but that the Government seek out programs with a proven track record of success and a proven base of support in their community or region.

This Senator believes the best method for accomplishing this is to get the money into the hands of State and local officials who have a better idea as to which programs are working and where our limited resources are best utilized, that certainly has been the experience in my State of Michigan, where our citizens have had tremendous success under the leadership of Gov. John Engler, in forging a statewide partnership to enact real reform in such areas as job training and welfare.

Once again, let me congratulate Father Cunningham on his appearance before the Senate's Labor and Human Resources Committee and commend him for his fine work at Focus: Hope. It is individuals like Father Cunningham and organizations like Focus: Hope which have made this country great and stand to make a positive difference in our future. We would be wise to offer them our assistance and follow their example.

Mr. President, I yield the floor.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending. We'd better get busy correcting this because Congress has failed miserably to do it for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,810,859,576,867.71 as of the close of business Wednesday, February 1. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $18,262.11.

THE CLINTON BAILOUT OF MEXICO

Mr. HELMS. Mr. President, our offices in Washington and North Carolina have been inundated with calls protesting President Clinton's decision to bypass Congress and, more importantly, Mr. Clinton's willingness to ignore the emphatic will of the American people. In any event, that is what Mr. Clinton has done with his unilateral $20 billion bailout of Mexico.

I have opposed this scheme from the very beginning because it will do nothing to remedy Mexico's internal problem and it is unfair to American taxpayers. Last week, I presided over in-depth hearings by the Foreign Relations Committee. Witness after witness warned the President not to violate the will of the American people in this matter.

Mr. President, if this were as important as the President would have us believe, then Congress should debate the bailout and vote on it, up or down, for or against. Before the taxpayers' money is put at risk, however, the people being forced to foot the bill should have a say. The $20 billion in question is an enormous amount of money. It is more than the annual budget of the State of North Carolina; it is larger than the annual budgets of 16 of the 18 States represented on the Foreign Relations Committee.

I am not convinced that refusal to bail out Mexico would be the disaster that the administration has described. Many topflight economists say the same. The Mexican people are already suffering, a condition that will improve only with solid political and economic reform, not as the result of a bailout.

Mr. President, on several occasions between 1980 and 1994, Mexico used dollars drawn from a special line of credit at the United States Treasury. The United States has also aided Mexico with bridge loans, bank credits, currency swaps, and guarantees, all to shore up confidence in Mexico. Assistance from Uncle Sam usually has come right around election time in Mexico. Credit lines from the United States and other countries, amounting to as much as $12 billion, were negotiated twice in the past 15 months alone.

With the exception of last week's hearings narrowly focused on the peso crisis, the Senate has not held hearings on the situation in Mexico since 1986. Since the President is obviously willing to risk saddling the taxpayers with $20 billion of debt, I believe Congress has a fundamental obligation to examine carefully the political and economic situation in Mexico and the administration's policy toward Mexico.

Mr. President, the Mexican Government has a credibility gap, and for obvious reasons. Just one example: There are some 2,000 United States claimants protesting Mexico's refusal to pay about $19 billion owed under a little-known 1941 treaty—the 'Treaty on Final Settlement of Certain Claims—which provided for settlement of longstanding disputed property claims. The United States fully met its obligations by 1948, but Mexico broke its promise. The Mexicans signed the treaty on the dotted line knowing full well that it was never intended that Mexico would compensate these Americans. To this day, not a dime nor a peso has ever been paid to an American claimant.

Mexico doesn't hesitate to break its promises to the United States, much less to violate United States policies. For example: Mexico is giving aid and comfort to Fidel Castro by investing in Cuba's economy, notwithstanding the United States trade embargo. According to Cuba Report, published by the Miami Herald, the Mexicans are financing Cuba's telephone company to the tune of $1.5 billion, And, by the way, the Cuban phone company is a confiscated United States business. Also, a Mexican-Cuba joint venture will invest $100 million in a Cuban oil refinery. The dominant member of this venture will be Pemex, the Mexican's Government-owned oil company.

The Mexican Foreign Minister was quoted by the January 27 Financial Times as saying that:

> The typical U.S. politician is not necessarily someone who is very conscious of international subjects. Even supposing they know where Mexico is * * * they lack information about what happens in Mexico.

Mr. President, this is the same fellow who came to Washington with an outstretched hand pleading for cash.

Mexico's international debt stands at $180 billion. According to the United States Treasury Department's own estimate, the Mexican debt coming due in 1995 alone—both public and private sector debt—is more than $80 billion. What Mexico sorely needs is to get at the root causes of its problems so that it will cease to require emergency intervention by the United States taxpayers.

Mr. President, Mexican President Zedillo has a tough road to travel: He must solve the short-term economic crisis; provide for a long-term economic stability; end a civil uprising; address corruption; stop drug trafficking, and initiate political reforms. Properly addressing these issues is what's needed to shore up investor confidence.

Mexico would be better off letting the markets set the value of the peso and Mexican stocks and bonds. The U.S. Government has no business bailing out private or public investors who lose money on highly speculative investments.

In testimony last week before the Foreign Relations Committee, experts recommended that Mexico eliminate its wage and price controls; reform its banking industry; increase the pace of privatization and further open their oil company and other State-controlled entities to foreign investment, and then tighten its fiscal and monetary policies.

A bailout of Mexico is bad policy. It may provide some illusory short term relief, but it fails to address the root causes of Mexico's woes. We've been told that the imposition of any conditions, such as: First, drug trafficking controls; second, extradition of Mexican citizens involved in United States crimes, and third, resolution of all outstanding claims against Mexico by United States citizens—these conditions are too politically sensitive for the Mexicans. It might hurt somebody's feelings. But, I for one, wonder why the Mexicans seek United States financial aid with one hand, while they sustain Fidel Castro's brutal dictatorship with the other.

It boils down to this, Mr. President: When an American taxpayer gets a loan from his local bank to buy a house, the property is security for the loan, as Uncle Sam doesn't cosign the note. Yet, that is exactly what Mr. Clinton is proposing, namely that the United States sign the $20 billion note.

In my judgment, the United States and the Mexican Governments are perpetuating an unhealthy situation in which Mexico has grown dependent on us to fix its financial problems. It's bad for Mexico and it's unfair to the American taxpayers. This is the seventh time since 1982 that the United States taxpayers have bailed-out Mexicans and have rewarded wealthy bankers who have made bad loans.

The American taxpayers should not be placed at risk in bailing-out Wall Street bankers and speculators, particularly since the Federal Government has already run up a 4 trillion, 800 billion dollar debt which our grandchildren and their grandchildren will have to pay.

Mr. President, on January 18, I sent the administration 35 questions about the proposed bailout. I ask unanimous consent that the responses, which I received 8 days later, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS

Question 1. Is the Secretary of the Treasury prepared to recommend to the President that he explain, in writing, to the U.S. Congress the urgency and necessity of authorizing $40 billion in loan guarantees to Mexico? If so, has such a recommendation been made or when can it be expected?

Answer. The President addressed the urgency and necessity of obtaining legislation authorizing a loan guarantee facility in his January 18 remarks at the Treasury Department and in the State of the Union. And he wrote to the bipartisan leadership on January 19.

Question 2. What specific conditions will the United States require of the Government of Mexico in order to ensure that we are repaid?

Answer. Mexico will pay substantial fees upfront to more than cover scoring costs.

Mexico will provide backing in the form of proceeds from oil exports in the event it can't meet its obligations.

Mexico will be required to agree to strong economic conditions and comply with them during the period that the guarantees are made available.

These conditions will focus on the monetary and fiscal policies necessary to restore growth and thereby generate resources to repay its obligations.

We will prepare and transmit to Congress reports at least quarterly on Mexico's compliance with the conditions as set out in the legislation and elaborated in consultations with Mexican officials.

Question 3. What specific economic structural adjustments will the United States require of Mexico?

Answer. Mexico has implemented a number of structural changes in its economy over the past decade, notably the liberalization of trade restrictions, the privatization of state-owned enterprises, the establishment of an independent central bank, and the restoration of some balance to public finances. Mexico has announced its intention to undertake further structural changes, including further privatization steps. Progress in making these reforms will be taken into account in extending the guarantees.

Question 4. Will each and every condition be made public? If not, will Members of Congress be able to obtain information on those conditions.

Answer. The legislation will itself stipulate many conditions. Conditions established in the agreement negotiated between the U.S. government and Mexico prior to the issue of guarantees will be provided to Congress if appropriate on a confidential basis.

We also intend to prepare and transmit to Congress reports at least quarterly on Mexico's compliance with the conditions as set out in the legislation and elaborated in consultations with Mexican officials.

Question 5. How was the $40 billion figure arrived at as the appropriate amount to deal with the current situation?

Answer. A substantial amount of Mexican debt will mature over the next 12 to 18 months. This includes public and private external debt as well as the dollar-indexed Tesobonos. We believe that $40 billion provides a reasonable safety net to be used to refinance maturing debt that is not being rolled over. The amount of $40 billion will convince the market that Mexico will have more than adequate resources to meet what we view as a short-term liquidity problem.

Question 6. Will the $40 billion in guarantees cover both principal and interest?

Answer. Under the guarantee arrangement with Mexico, the coverage will be up to 100% of principal and interest.

There are a number of U.S. Government guarantee programs which provide full coverage of principal and interest. These include the Israeli guarantees administered by USAID.

We will be charging the Mexicans substantial fees for this full guarantee coverage. These fees will more than cover the budget costs of the program, effectively reduce the exposure of the United States Government, and encourage the Mexicans to limit the use and coverage of the guarantees.

Question 7. What does the Treasury calculate to be the total risk to the United States should the Government of Mexico default?

Answer. We think the risks to U.S. taxpayers are small even if Mexico defaults.

Mexico will pay substantial fees upfront to more than cover scoring costs.

Mexico will provide backing in the form of proceeds from oil exports in the event it can't meet its obligations.

Mexico will be required to agree to substantial economic conditions and comply with them during the period that the guarantees are made available.

These conditions will be designed to ensure that these proceeds of the guarantee are used prudently.

Question 8. Will an authorization of $40 billion do the job of stabilizing the situation? Is this the last time the Administration will need to come back to Congress for loan guarantees for Mexico?

Answer. We believe $40 billion will be sufficient to restore stability, and in fact, we think it is highly unlikely that Mexico would use the entire $40 billion of guarantee authority.

Mexico has a liquidity problem that can be overcome in a relatively short period of time. We anticipate that Mexico will be able to return to private capital markets and borrow in its own name within a relatively short period of time.

With these guarantees and an appropriate economic program, we do not anticipate a need to return to Congress to request additional guarantee authority.

Question 9. In Administration briefings to Congress on the peso crisis, U.S. officials have stated that economic policies and decisions made by former Mexican President Salinas are directly responsible for the current crisis. Given this, does the Administration continue to support President Salinas to head the World Trade Organization?

Answer. The United States supports the candidacy of former President Salinas to head the World Trade Organization. As President of Mexico, Salinas led his country through a successful process of economic reform and trade liberalization. He also represents a bridge between the developing world and the industrialized nations.

The issue of whether the Mexican government should have devalued or not is a highly technical issue where economists disagree. The decision not to devalue does not disqualify former President Salinas. We continue to believe he is the best candidate for the job and is well-qualified to take on the challenges facing the global trading system.

Question 10. Please describe in detail all fees that will be incurred by the Government of Mexico in order to secure the guarantee. What will be the amount charged for each fee category? How is the fee amount determined?

Answer. The fee will have three components: commitment fees, basic fees, and supplemental fees.

The commitment fee will be set as a % of total guaranteed authority.

The basic fee will be set to correspond to the U.S. budget scoring cost as determined by OMB and CBO under the current scoring system. It will be paid when each guarantee is issued.

The supplemental fee will be set by the Secretary of the Treasury to ensure that Mexico return to private capital markets as soon as possible.

These fees will more than offset any estimated budget costs to the United States Government.

Question 11. Will the Government of Mexico be able to borrow against the loan guarantees in order to pay the fees mandated in any stabilization program?

Answer. Yes.

Question 12. What amount of collateral does the Treasury Department believe is sufficient to protect against the risk should the loan guarantees be used by the Government of Mexico? How was the amount of the collateral determined?

Answer. Treasury and Mexico will establish the oil proceeds facility to provide protection for the total potential U.S. exposure under the guarantee program—dollar for dollar.

Question 16. What steps has President Zedillo taken to alleviate the crisis since the situation began in December?

Answer. The initial action taken by President Zedillo was to renegotiate the PACTO, a tripartite (government, business, and labor) agreement that sets economic objectives, including wage increases, inflation and economic growth.

The Mexican Government also announced plans to reduce the growth of credit issued by the development banks and to accelerate the privatization program.

The Mexican Government then requested the U.S. and Canada to activate the swaps agreed to under the North American Framework Agreement of April 26, 1995.

As the market reaction indicated a lack of confidence in the Mexican economic program this program was strengthened. On January 2, President Zedillo announced additional measures aimed at restoring better economic balance. These include plans to reduce government budget expenditures, to privatize still more government-owned facilities. And to conduct a more stringent monetary policy.

At this time, the establishment of a $18 billion facility was announced. This included $9 billion from the United States split equally between the Treasury and the Federal Reserve, and $1.5 billion from the Bank of Canada, $5 billion from a consortium of central banks organized under the auspices of the Bank for International Settlements, and $3 billion from a group of private banks.

The Mexican Government also announced its intention to negotiate a Stand-by agreement with the International Monetary Fund. Negotiations are ongoing regarding the stabilization measures that Mexico will put in place under this agreement.

Question 17. What steps did the United States Government take in December to stabilize the peso?

Answer. The United States activated its $6 billion swap facility and then temporarily increased it to $9 billion. We did not intervene in the foreign exchange market, nor were there any drawings on our swap facility during December.

In early January, the Mexican government announced that it had made initial drawings from the Treasury and Federal Reserve swap facilities.

Question 18. What is the Treasury Department's position as to requiring, as part of a stabilization package, a commitment by the Government of Mexico to create a currency board or some other mechanism that will guarantee the independence of the monetary authority?

Answer. The most important thing for Mexico to do in the short-term is to put in place tight, effective controls on credit and money. There are lots of ways to do this, and we are looking at the alternatives with the Mexican authorities and the IMF.

Currency boards have worked well in certain circumstances, such as in Hong Kong. But they are controversial, and they cannot substitute for the need to put in place a credible and effective economic program. In addition, they require a substantial cushion of reserves, which Mexico now lacks.

Question 19. What is the current amount (in dollars) of both official and commercial debt that Mexico owes the United States or U.S. institutions?

Answer. As of September 1994, reported U.S. private and public debt claims on Mexico total $44 billion. These include: claims on Mexico of U.S. based banks of $21 billion, short-term claims held by U.S. non-banks of $4 billion, U.S. holdings of Mexican bonds of $18 billion, and U.S. official agencies' credits of $1 billion. (These figures do not include U.S. holdings of stocks or U.S. direct investment, which are substantial.)

Question 20. What is the current amount (in dollars) of Mexico's international reserves?

Answer. As of January 6, the Banco de Mexico's international reserves were $5,546 million.

Question 21. What is the amount, in dollars, of Mexico's "short-term obligations" that are now coming due?

Answer. Mexico faces maturity obligations in 1995 totalling approximately $81 billion. This sum includes both the external debt of the public and private sector, as well as public domestic debt obligations—Tesbonos—that are linked to the peso value of the dollar.

Much of this debt will be rolled over in the normal course of business. However, Mexico has been having a particularly difficult time rolling over maturity Tesobonos. In addition, some Mexican banks have had difficulty rolling over maturing debt.

Question 22. What is the amount (in dollars) of gold that Mexico either holds or has access to?

Answer. As of end-June, 1994, the gold holdings of the Bank of Mexico were 425,000 Fine Troy Ounces. At $380 per ounce, the value would be $161.5 million.

Question 23. What is the estimate of flight capital from New Mexico over the past twelve months?

Answer. Flight capital is inherently difficult to measure. The general consensus of economic experts on Mexico is that Mexico's balance of payment problem resulted more from the drying up of foreign portfolio investment than capital flight. According to the Federal Reserve, which uses World Bank standard methodology, capital flight may have totaled $8–$10 billion in 1994.

Question 24. What steps will the United States insist upon to end flight capital?

Answer. The only enduring way is to restore confidence of domestic and foreign investors in the economic policies and exchange rate of Mexico. The measures that Mexico takes to stabilize its economy—stringent monetary policies and attractive real interest rates, are aimed at restoring confidence.

Question 25. What specific assurances can the Treasury Department give to the Congress that no loan guarantees provided by the United States will be used to subsidize or otherwise underwrite Mexican commercial transactions that negatively impact on U.S. national interests, including Mexican debt-for-equity swaps with Cuba?

Answer. The Government of Mexico has indicated that it is prepared to make specific assurances that these loan guarantees would not be used to subsidize or otherwise underwrite the types of transactions with Cuba raised in the above question.

Question 26. As the situation presently confronting Mexico is also faced by other developing countries, is the Administration prepared to propose similar stabilization plans should other nations find themselves facing a situation similar to that confronting Mexico?

Answer. Mexico is unique in terms of its strategic importance to the U.S. The U.S. and Mexico share a 2,000 mile border, rapidly growing trade and economic ties, and growing prosperity. And, the crisis in Mexico presents a unique risk of contagion to other emerging markets.

We will be exploring ways that international financial institutions are prepared and can respond to similar situations in the future.

Question 27. What other countries or international institutions will be involved in providing financial support to Mexico in response to the crisis? What specific steps are being taken by the U.S. government to secure international cooperation?

Answer. Canada is already providing about $1.5 billion Canadian dollars (approx. U.S. $1 billion) in swap credits. The central banks from other industrialized countries, under the auspices of the Bank of International Settlements, are arranging about $5 billion for Mexico.

The International Monetary Fund is arranging a sizable credit in support of a program with Mexico. Mexico is proceeding to negotiate with the World Bank and the Inter-American Development Bank additional loans, which will provide Mexico with a considerable amount of foreign exchange this year.

We are now in the process of encouraging other countries to join the effort.

Question 28. Has the Administration considered requiring the Government of Mexico to make progress in solving and bringing to justice those responsible for the recent assassinations of prominent Mexican political candidates and officials as a condition for authorizing loan guarantees?

Answer. In his inaugural address, President Zedillo said that the Mexican people were not satisfied with the results of the Government's inquiries into the killings of presidential candidate Colosio, political party leader Ruiz Massieu or Catholic Cardinal Posadas. He pledged that justice will be served.

Zedillo instructed his Attorney General, a member of the conservative opposition PAN party, to intensify efforts to resolve these crimes. The Attorney General, in turn, appointed a special prosecutor to investigate these cases. The special prosecutor has already held public news conferences to discuss the status of his inquiries.

In these circumstances, we consider that conditioning authorization of loan guarantees on specific progress would be inappropriate.

Question 29. How much does the Treasury Department estimate U.S. companies/businesses have lost in Mexico since the current situation began?

Answer. We have no reliable estimate on losses.

We have a substantial stake in Mexico, which has already been adversely affected by the financial crisis.

There is $40 billion of exports at risk, which support 700,000 jobs.

The U.S. has $53.1 billion in foreign direct investment.

U.S. investors hold $36.5 billion in Mexican bonds and equities.

Question 31. Will Mexican economic reform efforts and austerity programs lead to a tighter monetary policy, higher inflation, and high unemployment in Mexico? Has the Treasury Department made projections as to the inflation and unemployment rates in Mexico for 1995 and 1996?

Answer. The Mexican authorities have announced plans for tightening marcoeconomic policy in 1995, and are in the process of working with the IMF on a macroeconomics stabilization program. These policy steps include a monetary policy stance that will be

considerably tighter in 1995 than it was last year.

Inflation in Mexico—which was in single digits in 1994—is expected to be considerably higher this year, reflecting increases in prices of imports following the recent sharp depreciation value in the peso. The tightening of policy, as well as the international support program, is intended to keep a price-wage spiral from getting underway and ultimately return Mexico to a lower inflationary path.

The financial problems in Mexico can be expected to lead to recession and higher unemployment in Mexico in the next year. The Mexican authorities have taken steps to contain as much as possible the wage pressures that are likely to be felt in the aftermath of the peso depreciation. To the extent that these efforts are successful, employment losses will be reduced. The international support program, by averting a protracted crisis and a potential collapse in Mexican economic activity, should help minimize the rise in unemployment associated with the necessary Mexican adjustment.

Treasury has not made projections for Mexican inflation and unemployment for 1995 and 1996.

Question 32. Would higher inflation and higher interest rates make it more difficult for Mexico to repay any loans backed by U.S. loan guarantees? Would such economic conditions increase the likelihood of default by Mexico?

Answer. Yes, higher inflation if sustained and especially if accelerating, would impede the efficiency of the Mexican economy and make it less attractive to foreign investors. Both outcomes would undermine the peso and make it more difficult for Mexico to service its external debt, including that backed by U.S. loan guarantees.

The international support program is aimed at ensuring that Mexican reforms continue in a stable macroeconomics setting. The program will allow the Mexicans to make the necessary adjustments with a lower inflation rate than otherwise would be the case and in a political environment that would not jeopardize their reforms. Restoration of a stable economic and political environment will reduce the likelihood of default by Mexico.

Question 33. As the Mexican economy contracts, what is the Treasury Department's estimate as to the reduction in U.S. exports to Mexico? And what will be the impact on U.S. employment?

Answer. We have no precise number because the answer depends on many factors which are unknown.

One that is particularly important is the length of any decline because the growth gap compounds over time.

That is why restoring stability to the Mexican situation is so important.

The U.S. exported over $40 billion in 1993 (estimated to reach $50 billion in 1994.) representing 700,000 jobs.

Question 34. What is the Treasury Department's position on requiring an economic stability assessment (e.g., inflation, unemployment, current account balance ratios, ect.) for any nation with which we are considering opening negotiations on a trade agreement?

Answer. There would be no problem in compiling data. Such information is widely available and would be easy to collect in the context of considering trade agreements.

However, there is no common denominator for movements in these indicators or the relation to benefits that the U.S. derives from engaging in trade.

Our trading partners are diverse—in terms of economic development, structure, and performance.

Question 35. What is the Treasury Department's assessment as to whether there is a banking crisis looming in Mexico, as some analysts have projected?

Answer. The banking system in Mexico has been adversely affected by financial developments in Mexico in a number of ways. Credit lines to Mexican banks have come under pressure, making funding more difficult. The capital ratios for Mexican banks are likely to have declined, since as a result of the devaluation, the peso value of dollar-denominated assets has risen, while the banks' capital remains unchanged in peso terms. Finally, to the extent that recent developments have increased the financial difficulties of some Mexican firms, banks are likely to suffer from increased loan losses.

However, foreign banks will be given greater opportunities to invest in the Mexican banking system, which should help strengthen the banking system both in capital and management.

If the U.S. loan guarantee proposal for Mexico is approved, it should help mitigate the risks to the Mexican banking system.

BACKING FOR THE U.S. GUARANTEES

The United States guarantees will be backed in two ways by Mexico.

First, the Mexican commitments to the United States will be backed by the full faith and credit of the Mexican Government. This is a legal commitment by the Mexican Government to repay the securities issued under U.S. guarantees. The United States will only issue the guarantees on the condition that the Mexicans adopt a strict economic and financial program to help ensure that the Mexican economy has the resources to meet these obligations. In addition, the Mexican commitment to repay will be backed by Mexico's revenues from oil exports. (Mexico exports about $6.5 billion of oil each year.) The United States would have access to these revenues in the event of non-payment by the Mexican Government. The revenues would flow to the United States Government through a four step process based on irrevocable instructions:

1. Before a guarantee is given, Mexico's oil company, PEMEX, will instruct its foreign customers to deposit the payments for their oil purchases in a PEMEX account in a commercial bank in the United States. Such payments will begin on the first day when Mexico could be in default on its payment obligations on its guaranteed securities.

2. If Mexico fails to make an interest or a principal payment on its guaranteed securities, the oil proceeds will be automatically transferred from the PEMEX account in the U.S. commercial bank to a Mexican government account at the same bank.

3. These proceeds will be automatically transferred again to a Mexican government account at the Federal Reserve Bank of New York (FRBNY).

4. The FRBNY will then have access to these funds and can use them to reimburse the United States for any amounts it had paid out on its guarantee, plus interest. In other words, the funds would be transferred to the United States to compensate for any payments made by the U.S. under the guarantee.

This mechanism has been put in place several times before by Mexico and Treasury for loans extended to Mexico. However, it has never been activated because Mexico has always paid off its loan obligations to the United States government.

EXISTING PEMEX COMMITMENTS

Question. Has any PEMEX oil already been "pledged" to anyone else?

Answer. Mexico earns about $6.5 billion from oil exports each year.

PEMEX crude oil exports are subject to three existing financing arrangements with non-Mexican banks. Under these arrangements, in a worst case scenario, PEMEX would be obligated to pay roughly ten percent of one year's proceeds of Mexican oil exports.

PEMEX has also entered into an oil proceeds facility with the United States and Canada to back up the drawings under the swap lines established by the North American Framework Agreement.

This facility is currently backing up the $1 billion that Mexico has drawn this month.

FORMER OIL FACILITY ARRANGEMENTS

Question. Has this oil facility arrangement been put in place before?

Answer. Yes, on five occasions since 1982.

However, oil proceeds have never been transferred because Mexico has always paid off its loan obligations on time.

CONSTITUTIONAL OBLIGATIONS

Question. Are there any Mexican constitutional restrictions on control and ownership of PEMEX that could undermine this arrangement?

Answer. No. There are constitutional restrictions on the foreign ownership and control of PEMEX, but they do not affect the ability of PEMEX to commit its resources to the United States Government under this facility.

This mechanism has been put in place on five prior occasions, and Mexican government attorneys have always issued legal opinions stating that the mechanism is fully consistent with Mexican law.

POSSIBLE PEMEX EVASION

Question. Is there any way that PEMEX could get around its obligations to the United States government in the event of a non-payment by the Mexican government under a guaranteed security?

Answer. We are making this facility as air tight as possible.

Mexico has agreed that PEMEX will issue irrevocable instructions to all of its existing foreign customers to have dollar payments routed to a commercial bank in the United States. Under these instructions, these payments would automatically flow to the New York Federal Reserve Bank in the event of a default.

This provides excellent protection because the funds will be in the United States.

If PEMEX wants to sell oil currently sold to a U.S. company to an alternative foreign customer, PEMEX would have to secure our agreement in advance.

If Mexico failed to make payments on the guaranteed securities, and PEMEX were to violate its obligations, Mexico would lose all access to the international financial community and face serious adverse consequences in its relationship with the United States.

FULL BACKING?

Question. Does the oil facility provide us full dollar backing for our maximum exposure?

Answer. Yes. The facility provides full dollar backing for our maximum exposure.

MEXICAN OIL RESERVES

Question. How much oil does PEMEX have?

Answer. Estimates of Mexican oil reserves range from 25 to 50 billion barrels.

Assuming that 50 percent of Mexico's oil is exported at $10 a barrel, PEMEX's total potential export oil revenues could range from $12 to $250 billion.

In 1994, PEMEX earned approximately $6.5 billion from crude oil exports and $1 billion from oil product exports.

U.S. LEGAL PROTECTIONS

Question. What legal protections does the United States have in the oil proceeds facility?

Answer. The United States has strong legal protection through the recognized banker's right of "set off" against Mexican oil proceeds in the New York Federal Reserve Bank (FRBNY).

This means that the FRBNY has access to the Mexican oil proceeds and can use them to reimburse the United States for any amounts it had paid out on its guarantee, plus interest.

DEATH OF RICHARD L. ROUDEBUSH

Mr. COATS. Mr. President, the world lost a great public servant and well-known Hoosier last weekend with the death of the Honorable Richard L. Roudebush.

He was born on a farm in Noblesville, IN, 77 years ago. In 1941, he graduated from Butler University in Indianapolis with a degree in business administration. Soon after, he enlisted on the Army just 1 month before the Japanese attack on Pearl Harbor and was shipped out to Egypt in September 1942, where he joined with British Forces during five major battles in North Africa. While participating in the invasion of Italy, his landing craft was hit and was sunk by the enemy, but he survived and continued the fight with the 15th Air Force.

Richard Roudebush's distinguished career of serving United States does not end with his role in World War II. He demonstrated his leadership among his war veteran peers with being actively involved in the Indiana Department of Veterans of Foreign Wars and eventually being elected as national commander in chief of the national VFW.

A friend of Mr. Roudebush's remarked that he was so discouraged at the way Hoosier Congressmen were handling things in Washington, that he decided to run for Congress himself. He did, and in fact, he was elected to the House of Representatives five times, and from three different districts. Through his own efforts, he quickly rose from the ranks to become the assistant minority whip and ranking member of his party on the Committee on Science and Astronautics where he was best known for his instrumental efforts in helping to get America's space program successfully off the ground.

No challenge was ever too great for Richard Roudebush. This was most apparent in the contest for the Senate seat of then-Senator Vance Hartke. Mr. Roudebush did not win the race, but it was the closest Senate election race in Indiana history. Out of 2 million votes cast only 4,000 votes kept him from victory.

His deep affection and commitment to his fellow veterans led him on a continued mission, especially after his congressional days, to help make better the lives of his fellow comrades. After working in the Veterans Administration for 3 years as the No. 3 man, President Gerald Ford nominated Mr. Roudebush as Veterans Administrator in 1974. His dedication to veterans continued later in life as he served on veteran advisory boards and was honored with life membership to most veteran-related organizations.

Richard Roudebush fought for United States and served his country in the public sector as representative of the people. He was a Hoosier hero who exemplified the very best in public service. His vision, knowledge, and zeal for excellence, and determination to see initiatives through to their successful conclusion are some of his qualities that have endured in the Veterans Administration and the Congress. His honors and awards are a treatment to the depth of his service dedication and the impact of his efforts. His presence will be greatly missed, but his work on behalf of veterans and the residents of Indiana will remain a great legacy of which all Americans can be proud.

RECOGNIZING THE 200TH BIRTHDAY OF THE U.S. NAVY SUPPLY CORPS

Mr. THURMOND. Mr. President, I rise today to recognize the more than 5,000 men and women of the U.S. Navy Supply Corps, active and reserve, who on February 23, 1995, will celebrate the 200th birthday of their distinguished service to our Nation and Navy. The naval officers who proudly wear the Supply Corps oak leaf are the business managers of the Navy and are responsible for the logistics support of operating forces in the fleet and naval shore installations worldwide.

The Supply Corps has come a long way since its birth in 1795, when Teach Francis of Philadelphia took the helm as the first Purveyor of Public Supplies. The original charter of the Supply Corps was to support the six wooden frigates of a young American Navy. The Supply Corps has distinguished itself throughout its long history by ensuring that the United States has been ready to defend American freedom and interests in every conflict since the War of 1812. Its responsibilities have grown tremendously and have kept pace with the challenge of providing logistics support to a modern and highly technological Navy, which has grown in size and complexity. Today, the Navy Supply Corps employs the latest technologies and management skills to supply our Navy at the lowest possible cost and with the greatest efficiency.

Having progressed from supplying wooden frigates with cannon balls to supplying AEGIS destroys with Tomahawk cruise missiles, the U.S. Navy Supply Corps continues to carry out its vital mission to keep our Navy well equipped and ready to respond at a moment's notice. I ask my colleagues to join me in congratulating the officers of the U.S. Navy Supply Corps on its 200th birthday.

RETIREMENT OF DONALD E. GESSAMAN

Mr. GLENN. Mr. President, I rise today to make a few comments concerning the retirement of Mr. Donald E. Gessaman of Dayton, OH.

Upon Mr. Gessaman's retirement, the Federal Government will lose one of its most effective public servants. Mr. Gessaman served as the Deputy Associate Director for National Security in the Office of Management and Budget. I would like to take this opportunity to commend Mr. Gessaman on 32 years of outstanding service to his country. He is known for exceptional intelligence, common sense, and good humor. Mr. President, his counsel and wisdom will be sorely missed.

Mr. Gessaman began his career in 1963 as an analyst for the Air Force space program. In 1966, he moved to Washington to become a management intern in the Office of the Secretary of Defense. The following year, he began his work at OMB and has remained there since, rising through the ranks and becoming a member of the Senior Executive Service. In 1990, he assumed his present position as Deputy Associate Director for National Security.

Mr. Gessaman dedicated his career to ensuring that the taxpayers' investment in our Nation's Armed Forces is well spent. The importance of national security issues and the spending constraints imposed by the deficit have made this a daunting task. Yet, time and time again, Mr. Gessaman has shown that judgment, analysis, and a thorough understanding of defense programs can serve both our national security and our economic security.

Mr. Gessaman's professionalism, his thorough analyses, and his commitment to the highest standards throughout his career have inspired his colleagues. I want to join those colleagues and his many friends in thanking Mr. Gessaman and wishing him all the best for the future.

TRIBUTE TO M.R. SENI PRAMOJ

Mr. BAUCUS. Mr. President, I rise to offer congratulations and best wishes to M.R. Seni Pramoj, one of America's great friends, and one of Asia's most accomplished democratic leaders, as his 90th birthday approaches.

And as we prepare to commemorate the 50th anniversary of the end of the Second World War, I would like to remind the Senate of Seni's great service as Thai Ambassador to the United States when the war began.

Seni Pramoj began his career in the 1930's, as one of Thailand's first legal scholars. During that decade, he helped to draft many of Thailand's modern laws, including the law abolishing the unequal treaties Thailand was forced to sign during the colonial era. He lectured to a generation of students at Thammasat School of Law, and before the end of the decade was made a judge on Thailand's Supreme Court.

These accomplishments gained him national recognition far beyond the legal field. And in 1940, at the young age of 35, Seni found himself appointed Ambassador to the United States.

A year and a half later, on the day of the surprise attack on Pearl Harbor, the Japanese Army entered Thailand. A powerful faction within the Thai Government, favoring collaboration, ordered the Thai military not to resist. And later in December, now in full control, they signed a military alliance with Japan.

Their next step was to order Seni by cable to deliver a formal Declaration of War to the U.S. Government. As a patriot and a man of conscience, Seni did not hesitate to do his duty as he saw it. As he recounts the story, he went to the State Department the day after receiving this cable, and told then-Secretary of State Cordell Hull:

Sir, I regret to say that I have been instructed by my government to declare war on the United States. But I refuse to do it because there is no reason, and I have already cut myself loose from Bangkok. I cannot bring myself to declare war on the United States.

Seni placed the Declaration of War in a safe at the Embassy on Kalorama Road, where it remained for the rest of the war. He refused further to leave the Embassy when the ruling faction in Bangkok ordered him to do so. And instead, he devoted himself to the Allied cause, writing every Thai student in the United States to announce his decision to form a resistance force called the Seri Thai or Free Thai movement.

Virtually all of the 110 Thai students in the United States at the time joined the Seri Thai. Seventy of them trained under the OSS as guerrilla fighters. Others served as technical experts. Some carried out broadcasts in the Thai language. Still others helped American military authorities to identify sites of great cultural and historical value to Thailand, in order to preserve them from Allied bombing raids toward the end of the war.

The Seri Thai movement was equally successful inside Thailand. Inspired by Seni's wartime broadcasts, and trained by his student recruits, it ultimately armed about 50,000 Thai partisans. And following the Japanese surrender, Seri Thai formed the first postwar government, with Seni himself as Prime Minister.

Seni's career since then has been just as distinguished. He was a founder of the Prachatipat or Democrat Party—now Thailand's oldest political party, and ably led by Prime Minister Chuan. He has been, as well, a highly successful lawyer and musician; and Prime Minister once again in the 1970's.

Altogether, it is no exaggeration to say that for the past 60 years, Seni has been at the center of Thai law and politics. And his sincere commitment to democracy, moderation, and the rule of law has helped Thailand become the prosperous democracy so many people around the world admire today.

In a letter to President Franklin Pierce, written in 1856 and reprinted in the book "A King of Siam Speaks," which Seni and nis brother Kukrit Pramoj edited some years ago, King Rama IV expressed the hope that the United States and Thailand would forever regard one another with "friendship and affection," and support one another in times of difficulty. And nearly 150 years later, few have done more to make the King's hope a reality than Seni Pramoj.

All American friends of Thailand join in wishing M.R. Seni Pramoj best wishes as his 90th birthday approaches. And we thank him for a service to both our countries which we will not forget.

IN HONOR OF FRANK E. RODGERS, RETIRING MAYOR OF HARRISON, NJ

Mr. BRADLEY. Mr. President, on December 31, 1994, a very special man, Frank E. Rodgers, served his last day as mayor of Harrison. After 48 years of public service, Mayor Rodgers is being honored for his life-time commitment to the citizens of Harrison, NJ.

Mayor Frank Rodgers won his first term as mayor of Harrison after the war in 1946 and began the distinguished career that would make him the longest-serving mayor in the history of the United States. Epitomizing the old adage that all politics is local, Mayor Rodgers campaigned door-to-door all 24 times he sought reelection and maintained an open-door policy at town hall.

In addition to his time as mayor, Frank Rodgers held a variety of elected and appointed jobs in government, including 6 years from 1977 to 1983 as a State Senator and 10 years as a town councilman. Frank's service in the Army during World War II did not interfere with his commitment to public service; he was reelected as a councilman while in basic training at Fort Dix and managed town affairs through calls and letters to his wife and family while working as a military intelligence officer on assignment along the east coast.

Diligence, dedication, and a true commitment to his constituency were the hallmarks of Frank Rodger's career. In his retirement letter to the residents of Harrison, Frank wrote, "I believe our years together hint at a mutual respect and caring that goes far beyond the requirements of governing." Frank Rodgers possessed both the insight to know what it means to govern and the willingness to devote himself wholeheartedly to the task. While his retirement will be a great loss to those who have worked with him and for those he has served, he has left an exemplary legacy of excellence in public service.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of House Joint Resolution 1, which the clerk will report.

The bill clerk read as follows:

A joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

The Senate resumed consideration of the bill.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the Senate is now considering an amendment to the U.S. Constitution. This is not a usual matter and ought not be treated as such. Changing the U.S. Constitution is a very solemn responsibility, and those who wrote the Constitution made changing it very difficult, by design.

I have in my hand a copy of the Constitution. This is a little booklet put out by the bicentennial group that worked on a program to educate the American people about the Constitution. The Constitution begins, as all Americans know, "We the people of the United States." "We the people."

I was privileged to go to a celebration in Philadelphia about 8 years ago or so. It was the 200th birthday of the signing of the Constitution. The birthday, the 200th anniversary, was held in the very same room in Philadelphia, called "The Assembly Room," in Constitution Hall, the same room where the Constitution was written in the first place 200 years previous, when 55 white, largely overweight, men sat in a very hot Philadelphia room in the summer and wrote a constitution.

We know that because we know who they were. Two-hundred years later fifty-five people, men and women of all races went back into that room to recreate in celebration the writing of that Constitution. I was one who was picked to be among the 55. And to go into that room on the 200th anniversary of the date of the writing of this

Constitution was pretty special. George Washington's chair is still at the front of the room, the chair he sat in when he was presiding, and Franklin sat over there.

It was very remarkable to be in this room where they wrote this Constitution. Even more remarkable was that it was written over 200 years ago by patriots, by people who cared deeply for this country, but also by a homogenous group of people, only white men who came from various parts of the colonies to join in that room and write this document.

We have come a long way. Two-hundred years later it was a diverse group of men and women of all races who celebrated. I sat there kind of getting some goose bumps about the history of it all. I thought: as a little boy I grew up studying about George Washington and now I am in the room where he helped write this document. It reminded me of what a solemn responsibility it is for us to understand this document and what it means for this country.

We have had all kinds of proposals to change it. I think there have been over 2,000 proposals made over the years to change the U.S. Constitution. Every time somebody gets a notion they want to change it, just change it. Some scruffy little guy in Texas says change the Constitution to prohibit something. One of these days somebody is going to burn the Bible. They say change the Constitution to prohibit something. There are all kinds of ideas on how to change the Constitution. Yet, this living document has served this country for 200 years creating the oldest, most successful representative democracy ever on this Earth. So we are here today to talk about a proposal to change it.

If I might give just one quick story about the understanding of history here, some years ago Claude Pepper, the oldest Member of Congress, was standing out in front of the Cannon House Office Building with young JIMMY HAYES, who was in Congress as a freshman. He was standing next to Claude. Claude I think was 87, the oldest Member at that time. And they were standing talking on the sidewalk when a group of Boy Scouts with their leader breathlessly came running down and looking for directions. They stopped next to old Claude and young JIMMY and they had no idea who they were. They said, "Can you tell us where the Jefferson Monument is?" Old Claude Pepper said, "You go right across the Capitol Plaza to that building with the flag on it, and take a right and go one block, and you will find it." Jimmy looked at Claude with a kind of certain strange look. Claude was aged 87. After they left, JIMMY said, "I think you have given them bad directions. I know where the Jefferson Memorial is. The Jefferson Memorial is a mile away, by the river."

Well, Jefferson was not around when they wrote the Constitution. He was in Europe. But he contributed mostly through writings and through the force of his thought and various ways to the writing of the Bill of Rights, the most important of which, of course, was free speech. And Claude said, "Since they asked to see a monument to Jefferson, there is a demonstration on the subject of abortion going on over in front of the Dirksen Building. I feel there is no better place to see a monument to Jefferson and free speech than in front of the Dirksen Senate Office Building today."

I imagine that the Boy Scout leader did not think of it this way, but he was looking at a monument to Jefferson contained in this Constitution.

There are plenty of monuments in this Constitution that represent timeless truths that have served this country, and will for a long, long time. The question is, should a change be made in this document? Should we change the Constitution in order to respond to the budget deficit? Should we require a balanced budget?

I have spoken on the floor on many occasions on this subject. I have said before—and let me repeat again—that a balanced budget itself is not necessarily the most important goal. Does anyone in America believe that it would be imprudent for us to spend $400 billion more than we have this year and create a deficit of massive proportions if by doing so we could with one stroke eliminate cancer? Does anybody believe we should not do that? Of course not. The question is though whether the budget should be balanced. The question is: What are you doing as a result of these deficits? What is causing them?

What is the result of the deficits? The fact is the deficits that we now have in this country are operating budget deficits. They are not investments in the future. They are operating budget deficits because our fiscal policy has rolled out of control. The question should not be, in my judgment, whether we have an obligation to deal with them. The question is, how?

I came to Congress a number of years ago not thinking we should change the Constitution in this area. Some years ago I changed my mind. We started in 1981 when President Reagan proposed to us a fiscal policy strategy that he said would result in a balanced budget. We had somewhere around a $60 billion to $80 billion Federal deficit at that point. He said, if we simply cut taxes and double defense spending, we will have a balanced budget by 1984. Well, Congress cut taxes and doubled defense spending, and we all know what happened to the deficit.

This line has gone way out of control. These are deficits that are serious, and these are deficits that have accumulated to make a $4.8 trillion debt for this country. That threatens this country's future.

So the question is not whether. The question is what we do about it? The top of this line on this chart is about deficits, and shows something that I think is important. A couple of years ago we had on the floor of this Senate a proposal to deal with the deficits. It was a tough proposal and hard to vote for. It raised some taxes—and nobody wants to pay for increased taxes—and it cut some spending, a lot of folks did not agree with cutting spending in these areas. Yet, our deficit cut actually increased after we passed the bill. We thought it would cut $500 billion, that it would cut the Federal deficit by $500 billion in 5 years. We now know it was over $600 billion. So we have gotten some additional advantage.

My point is that we did something significant in law on the floor of this Senate. You see what happened to the Federal deficit since that point. I am proud to say I voted for that. People come up to me and say, "How dare you, you voted for that?" I think the political vote would have been, "No, count me out. I am not part of the solution. I am not going to make the tough vote." I did not say, "Count me out." I voted yes because I want this deficit to come down.

I might say there was not one single vote in this Chamber to help us from the other side of the aisle; not one. Not one Republican voted for this. I am not going to question their motives. They feel very strongly philosophically about some things. When it comes time for heavy lifting, it is very important that everybody be lifting. And we on this side of the aisle did it. I am proud we did it.

The problem is this line does not keep going down.

(Mr. DEWINE assumed the chair.)

Mr. DORGAN. Mr. President, we did this and it was important to do, but all of us know that because of health care costs and other things, this line starts going back up. So this is not enough. The question is: What do we do now to solve this problem in the future?

The Senator from Utah brings to the floor, with many of his colleagues, a proposal to change the U.S. Constitution. I respect him for that. I voted for a change in the U.S. Constitution to require a balanced budget last year. I likely will vote for one again, although there are some changes in this proposal that I do not like.

I want to talk today about a couple of changes we want to make to this proposal and why. As I do that, I want to say that somebody on the other side of the aisle was quoted, I guess yesterday, as saying that those who say the American people have a right to know how we propose to balance the budget are joking. He said that the Senators who make this argument simply do not want to balance the budget.

Wrong. I want to balance the budget. I have voted for a constitutional amendment in the past, and I likely will again. But the question, in my judgment, is not whether we balance the budget; the question is: How?

I think the Senator from Utah and the other original cosponsors of this particular constitutional amendment will agree with me that if it passes 90 seconds from this moment, not one single penny of the Federal deficit will be reduced—not one. This will simply represent a bunch of words that go into the document called the Constitution. And the requirement, then, will be that changes in taxing and spending will have to occur in the magnitude of somewhere around $1.5 trillion in 7 years to accomplish a balanced budget by the year 2002.

I happen to think there is a special responsibility at this moment. The special responsibility is for this reason: The majority party, having won last November, proposes a contract for this country. In the contract, they say two things. They say they want to decrease taxes, which means cut the Government's revenue, No. 1; No. 2, they want to increase defense spending. If you decide you want to cut the Government's revenue and increase one of the largest areas of Government spending, it seems to me it is logical to ask, if we change the Constitution to require a balanced budget, how do we do it? How do we get to that point, if you say we should cut revenue and increase one of the largest areas of spending?

For that reason, many of us—some who are opposed to the balanced budget amendment, others who support it—do support an amendment called the right-to-know amendment. Once again, the questions for the American people are: What are we going to do, and how are we going to do it? The proposal to change the Constitution answers the question "what?" What are we going to do? But the question of how we are going to do it, we are told, is an improper question; leave it for later.

Well, my colleagues, that is business as usual. If ever I have heard business as usual, that is business as usual. I have heard that in 1981, 1982, 1983, 1984, and 1985. Business as usual is: Trust me; I promise you; we will tell you later. No, we do not have the details, but they are there; believe us, trust us; we promise you.

Well, look, how many times do you accept a promise? The American people, it seems to me, have every right to understand the answer to two questions: What are we going to do, and how are we going to do it? The American people have a right to know, from those who say, "I want a balanced budget by 2002," and "I want increased defense spending," and "I want revenue cuts," they have a right to know how we are going to get there.

If I said to the Presiding Officer that I want you to ride with me today and we are going to go to New York City, the Presiding Officer might want to get to New York City; he might have a desire to visit. He might say that sounds like a good trip, and he would like to go. He would probably ask, "How are we going to get there? Are we going to take the train; are we going to walk; are we going to take a motor scooter; are we going to go through Atlanta or maybe through Los Angeles to get from Washington, DC, to New York?" He would have every right to want to know how we were going to do it.

That is the purpose of the right-to-know amendment. Its purpose is not to derail the balanced budget amendment. I happen to think we ought to pass the constitutional amendment. I voted that way in the past, as I said, and I probably will this time. The purpose of the right-to-know amendment is to say this must be more than an empty promise. We must, this time, develop a national awareness of what the heavy lifting means to all of us. We need to get the Nation behind us to do it.

Mr. ARMEY, on the House side, said, "Well, we cannot tell the American people what is required here; it would make their legs buckle." I think that is far too little faith in the American people, honestly. We have to do this together. This country belongs to them, not us. This is their country, their democracy. This book, this Constitution, means it is theirs. They have the powers, not us. We have a responsibility to them at this point to tell them what we are going to do and how are we going to do it.

There are plenty of areas of the Federal Government that can be cut and will be cut under any scenario, whether this amendment passes or not. I led a project on Government waste when I was in the House of Representatives and then here in the Senate. I can cite chapter and verse about wasteful spending. I mentioned before the 1.2 million bottles of nasal spray on inventory at the Department of Defense. There are a lot of plugged noses you are going to be able to treat for two or three or four decades. That is the sort of bizarre kind of thing that is in the defense inventory. It makes no sense at all. There is too much waste.

The fact is that it is not the waste—while we should eliminate that—that drives these numbers. All of us know what drives this. This country is growing older. More people are eligible for Medicare and for Social Security. What is happening is that entitlement programs are ratcheting up costs. But there are no votes on those programs in Congress. Those are entitlement programs whose appropriations are virtually automatic. We have to respond to that.

Some of us are also going to offer an amendment on Social Security, and we are going to disagree on that. The Social Security system has not caused one penny of the Federal deficit. This year, we will collect $69 billion more in Social Security than we spend out. That is not an accident. We are doing that by design. We need to save that money for when the baby boomers retire. But if it is not saved, if it is used as an offset to other spending in order to balance the budget, we will have broken the trust and the promise between people who work and people who are retired.

We must, it seems to me, say that we are not going to balance the budget by raiding the Social Security trust funds. For those who say let us not pass that amendment, not give that assurance, I say do not give me five reasons; just give me one reason. There is only one reason you would not want to give that assurance to seniors, and that is because you want to use that money. To use that money is, in my judgment, breaking a promise. The money is collected for only one purpose. It comes out of the paychecks; it is called the FICA tax, and it goes into Social Security, the trust fund, and it is promised that it will be saved for only one purpose, and that is Social Security.

How on Earth can anybody justify saying, well, we do not want to set that aside because maybe we will want to use it sometime? For what? It can only be used for Social Security. Those are two amendments that we are going to have to deal with. And just because we offer them, others on this floor should not argue that we do not support a constitutional amendment to balance the budget.

There is a right way and a wrong way to do things. The wrong way is to provide empty promises and assurances that we are not going to keep. The right way is to tell people you have a right to know; you should know this, and here is the plan. We are going to increase defense, according to some, and cut revenue and, therefore, here is how we are going to deal with other spending.

That is important. It is important for the American people to know.

I want to mention one other thing as I am talking about this. I am, frankly, a little tired of people in this country in politics and especially people in the House and Senate who keep repeating the notion somehow that Government is unworthy.

Government is the way we do things together. It is the way we created our schools to educate our kids. It is Government. It is the way we built our police forces to keep our communities safe. It is Government. It is the way we inspect meat so when you buy some meat someplace you have some assurance that it is not contaminated. It is the way we regulate our skies so when you are flying up there in a jet airplane you are not going to hit another jet airplane. Government is something we do together. We ought to be proud of it, for gosh sakes.

You must have Government in the affairs of people in a nation like this, and we ought to have the best possible Government we can for the American people.

There is a sense in this country these days of a kind of anarchist mentality. This philosophy suggests somehow, that our Government is just something that just spends all this money and wastes all this money, and is totally unworthy, and that what we ought to do is just get rid of it.

But, you know, the fact is this country has changed a lot in recent years. The rich have gotten much, much richer, the poor have gotten poorer, and there are more of them, more vulnerable people in this country. We have to start thinking together, all of us, to try to figure out how to respond to some of these problems, how do we deal with some of the vulnerabilities in our country. This is how we spend our money. And all of us know where our money goes.

This pie chart shows where Federal spending goes. Defense, 18 percent of the spending; Social Security, 22 percent; health care, Medicaid and Medicare, 17 percent. And, of course, that is going up every year, because more people are getting older, we have more poor people, and health care costs increase every year. We have to do something about health care costs because if we do not we cannot deal with the budget deficit.

Interest on the debt is 15 percent of the budget. We cannot negotiate that. We have had to pay for that. And if Greenspan gets his way, we will pay a lot more for it.

So Medicaid, Medicare are going up. Interest is going up. Social Security, more people growing older and on disability. In fact, in the Social Security trust fund, we have a surplus for just that reason.

Defense? My Republican friends say we need more defense, so that is going to go up.

So where do you get the rest of it? International—some people say foreign aid, of course, is the biggest area of public spending. It is not. We spend 1.4 percent of the budget for international programs.

So you have other mandatory spending. For domestic discretionary spending, 16.5. Now the 16.5 percent of discretionary spending, that is the kind of spending that we send out to deal with kids' nutrition, all sorts of issues that help people out there who need help.

I know it is easy to talk about these things in the abstract. But now every day you can go out and find what really matters and you can determine how this affects real people. You can go to a food pantry and who walks in and try to figure out what this means in their lives.

You say, "Well, let's cut off funding that does not make any sense." Nutrition programs? That makes no sense. "The WIC Program; you know, Head Start, we can do without it."

Yes, I suppose the country can do without it but it will also be a country that is less worthy. It is a country that is not investing in its health and in its children, trying to make life better for children.

You know I remember being at a town meeting in eastern North Dakota one day. An old fellow came up to me by the name of Thor, a guy who had flown combat airplanes in the Second World War. Thor came up to me and said, "I want to show you my mouth. I got sores all around my mouth," a guy in his seventies. He said, "I need teeth." This was an old veteran. He said, "I have no money. I have nothing." And he said, "I need teeth. I have no teeth. I went to the VA and I got a set of teeth from them and they don't fit. And so when I use them, it creates sores all around my mouth. So I can't use them and I want to show you these sores around my mouth."

And I am thinking to myself—this was at a town meeting—he walked all the way up to the front, had his mouth open showing me how badly he needs his new set of teeth.

Is it not pretty remarkable, in a country as wonderful as this, that old Thor, who went off to fight for his country and flew in combat and is now in his seventies and for one reason or another ends up with nothing, that Thor has to go to a meeting and stand up to beg to try to get a set of teeth.

That is what we are talking about here. We are talking about things that improve the lives of people.

Senator BURNS from Montana is on the floor. I was in community near the Montana line recently, touring a hospital where they showed me this space where the carpenters were knocking out two-by-fours. They were going to put in big, breathtaking new things. I think it is was an MRI; you know, the technology to look through human flesh to see what is there, a diagnostic tool. Breathtaking technology.

Then about 100 feet down in this hospital wing, they had me hold a little baby, tiny little baby, that had been born some while before, born premature, as a matter of fact. The mother had come to the hospital to have a third child, unmarried. She checked in on a Saturday. Her blood alcohol content was .25 when she delivered the baby. They checked this baby's blood and this baby was born with a blood alcohol content of .21, a little premature baby born dead drunk, and the mother did not even want to see the baby, wanted nothing to do with it. The baby will probably be fetal alcohol syndrome damaged, they do not know.

But think of the consequence of these things, day after day in our country. And we have to be concerned about how we respond to them and how we deal with them. We cannot ignore them. These things tear this country up from the inside.

I am not making a case for massive new programs for spending, because I do not think this is a case where you have kind of a vending machine, where you put in a quarter and get out a national program. But some things we do in this country are very, very important.

Head Start. Boy, you know, we should understand that is a good investment. The WIC Program, we know that is a wonderful investment to invest in kids and low-income pregnant women.

I could tell you a hundred stories, as could all of my colleagues, about the value of some of these things we do that make life worthwhile and make life helpful to people who need help.

I should tell you that Thor has new teeth. Thor got new teeth. Well, it was from a dentist. I talked to a friend of mine, personal friend of mine, and he got Thor some new teeth. But should a veteran have to beg for new teeth? No, I do not think so.

The point is there are programs now to help that young baby. Young Tamara Demeris, who I have talked about on the floor before, a 2-year-old, hair pulled out, nose broken, arm broken, because she was put in a foster home and nobody checked to see whether the people were drunkards. So this little girl was abused.

The fact is, there are things we can do about that. And we have done some things about that. When they come to our attention, we invest and we do some things to try to help people.

But all of these things relate to the decisions we are going to make about what are we going to do. People have a right to know. What are we going to invest in? Are we going to invest in star wars, or are we going to invest in Head Start for our kids? The people have a right to know that.

And to those who say this is joke, I say you are wrong. You know better than that. This is not a joke. This is very serious business. We are talking about changing the Constitution and we are talking about imposing requirements that will make massive changes in the way the Federal Government spends money. And count me in, because I want to force those changes. I have two children and I do not want to give them a $10 trillion debt when they get out of school. So count me in.

I just say this: We have a responsibility, all of us, to tell the people what we are going to do and how we are going to do it. To those who say, "Let's not tell them what we are going to do," I say that is business as usual, the same old tired promises I heard for 15 years. To those of us who say, "Let's together tell them how we are going to do it," we say the people have a right to know. And when we offer our amendment on

the right to know, we say to you, "Join us, accept the responsibility; accept the challenge of closing the loop to give the American people the opportunity to know exactly what we are going to do, to whom and how."

The American people can take it. The American people deserve it. And to do less, in my judgment, is the same old tired unfinished business of Congress that says, "Here's our political answer. Now trust us. Details later." That is not the way we ought to do business.

I hope that, as we in the coming 2 or 3 weeks move down this road to try to consider in a serious way not only what we are going to do but how we are going to do it, those of us, Democrats and Republicans, who believe the current situation in this country is a crisis, the current deficits threaten this country's future. The current Federal debt and the prospect of burgeoning future debt are challenges we cannot ignore. The question cannot any longer—for anybody on the floor of this Senate—be whether we do something about it. The question is, what?

To those who oppose a constitutional amendment, I say I voted for it in the past and will likely vote for it again. I say to Members, as well, on the other side of the aisle, Members have a responsibility to join in the second step of this journey. The second step, just like a Montana dance, joins the first step. It is change the Constitution to require a balanced budget. And as we do it, tell the American people how we will accomplish it because if we fail to do the latter, we know the former is nothing more than a bunch of words in a document like this.

So, Mr. President, we will have a lengthy debate and an aggressive debate on this subject. The debate will not be, I think, as the Senator from Utah occasionally would suggest, on whether a constitutional amendment is worthy. This Senator has said before, he thinks it is. I say now I think it is. But I say to the Senator from Utah and his colleagues and my friend from Montana, we have an obligation to do more than this.

I will join Members on this. We have an obligation to do more. We have an obligation to give the people the right to know, as we pass this, what does it mean; what does it mean to their future, and what does it mean to their lives, and how will we respond to it as a national commitment in this country.

Mr. President, with that, I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I appreciate the words of my friend from North Dakota.

As he held up the Constitution, I want to go back to an article that was printed in, I think, the Richmond Times, some time ago, and this last Sunday in the Washington Times. It was taken from the life and times of Davy Crockett, whenever he represented Tennessee and the House of Representatives, and he had to cast a vote to help people when their houses had burned down in Georgetown.

We hold up that Constitution, remember, as a double-bit ax. There is nothing in that Constitution that says we have the right to take my money and give it to somebody else, free, gratis.

So, when we talk about a balanced budget amendment, be very clear that this is not the first time this was a concern of people and leaders in this country. The first constitutional amendment to balance the budget was in 1936. And there was a time, I think, this country pretty well held its discipline on spending, until we really learned as a Government to borrow money, that we could borrow money against future collections, and those are taxes.

I have heard the same old argument, saying, "How are you going to do it?" Well, I would say I am going to have to approach this just as I approached running a farm or a ranch. You do not do the same thing every year or nail yourself into a situation that if time and circumstance changes, a person cannot. They do that.

I worked in county government where we balanced the budget. The debate started among the commissioners on what is going to get funded or how much it is going to get funded; and what, maybe, if we do not have the funds, should be cut out. It serves a purpose, but maybe is not as high on the priority list as we would like to see it.

That is what a balanced budget amendment does. It creates the arena for debate. It forces us, as debaters or policy setters, to make those hard choices between doing this or that, and reexamining the mission of government.

The Senator from North Dakota is exactly right. What is the purpose of government? Why do free people establish a government, especially in a free society? No. 1, public safety; he is right. That is an obligation of the total society, public safety. Now, public safety could be food safety, it could be in hygiene; but mostly it is in our fire departments, our police departments, our immediate-response people.

The next obligation, we could say, probably is transportation, because we have to keep the roads and the bridges so that the area of commerce can be carried out. In this great land of ours, we have changed everything around to where it is a global economy and global communication as to where our roads and bridges are satellites, fiber optics, new communications. Those are areas that will be debated here on this floor, as new policy is going to be formed that can keep up with the new technologies that are out there.

What some folks would call investment, other folks would call spending. If we want to define them, I guess they are about the same. Then I guess when we get down to the definition, we come down again to the bottom line, and that is priorities.

Now, with a debt of $4.7 trillion, for too long now after we learned to borrow against future collections, we started to move that national debt up. As I said, the first balance-the-budget amendment was in 1936. In 1934, and that is under the Roosevelt administration, someone had the idea that this thing could get out of hand and was concerned about it. We were in the depth of the Depression. We were trying to help so many people who had been hit by this devastating time; not only the Depression, but drought. And I could write a book on that.

I do not remember those days in 1936, because I was born in 1935. I guess I was a result of the drought; I surely was not a result of the Depression. The last thing you wanted in 1935 was kids, living on 160 acres of two rocks and one dirt.

But the debt that started out, we lost our way a little bit and our discipline. So that debt continues, because we continue to deficit spend. We should get two things straight right here. There is a difference between deficit spending and debt. Deficits cause debt. We deficit spend; we create debt. So no matter that that line goes down, we are still deficit spending. It is still of concern to people who have some kind of sense of responsibility, of fiscal responsibility.

Ever since I came here 6 years ago, that has been a concern, because our concern should be for our children and grandchildren, and the bill they will have to pay later on because we are mortgaging their future.

I was not a Member of Congress when the Gramm-Rudman-Hollings Act was passed, but it was one of the many efforts to control Government spending. While well intentioned, this law fell short of eliminating the deficit. In other words, we as a body of policymakers never really committed ourselves to that law to make sure it worked.

Even with a balanced budget amendment, I am not really sure that we have that discipline today, but I think it will make Members get in the debate and talk about priorities. It is true that we do have laws in place to balance a budget. We did not have the will to really take it serious, to really look at programs, and to take some of the fraud out of it.

My good friend from North Dakota was talking about the man who flew the missions that could not get a set of teeth. And we have people that take

advantage of the veterans programs that never got anything, to really have the privilege of using those programs.

The balanced budget amendment would change all of this rhetoric by instilling the necessary fear needed to make the tough decisions and take the hard steps. What are we talking about, even in food stamps; $1 billion a year, $3 billion a year in savings, if we could take the fraud out of it?

Now, that has nothing to do with a balanced budget amendment, but I can remember when talking to the former Secretary of Agriculture in the Bush administration, Ed Madigan and, of course, Ed is no longer with us. We started with a smart card and we saw where we could take some of the fraud out of it. Do you know what stopped the expansion of that idea? The bureaucracy did, because it cost some jobs in Government. Does that not seem strange? We had an opportunity to do that. This will force us to do something about that, whether we want to or not. It will force Members to do it.

So as we go down this trail, trying to come up with a mechanism to instill fiscal responsibility in ourselves, this is, I think, a commonsense approach. And yet there are people that want to make it very complicated.

I came up in 1990 with an idea called the 4-percent solution.

We wanted to deal with the deficit. At that time, if you wanted to reform something to really make it work, the 4-percent solution merely said this: Do away with baseline budgeting, but budget and spend based on previous years' expenditures and only let Government grow 4 percent a year. Based on previous years' expenditures, not previous years' budgets, and not an automatic built-in 6 percent as happens in baseline budgeting.

And you know what, next year we would have been looking at a whole lot different deal had we done that. We had a few cosponsors on that. It is a very simple thing. Maybe it was too simple. Nobody wanted to really get into it. But basically it just said, "Government, only grow 4 percent. If you don't want to spend the 4 percent over here, you can spend it over here. You can move it around. But the total growth, bottom line, 4 percent."

It would have given Congress the flexibility to increase funding at realistic levels for many programs while reducing others and phasing out some that have not worked since World War II and they are still around here.

It did not pass, and now the problem is even worse where even the 4-percent idea will not work. It will not get us to where we want to go.

I think also we have to look at a way to see how this budget or balanced budget will be scored by the CBO and whoever is doing the bottom-line figuring.

There was a joint budget hearing a couple of weeks ago that would do exactly that. I am pleased that that hearing looked at the dynamic modeling and am encouraged that it gave it the attention it deserves. The current revenue method calculates outlays from the Treasury, no matter what the cost-benefit ratio. I believe dynamic review estimating would be a good way to put Government spending priorities in order.

What we are saying is, the policies we set here, tax policies, whatever, change people and the way they do business. It just changes human behavior.

The dynamic modeling of a program would be scored on its merits. Instead of only looking at the amount of money the program costs in outlays to the Treasury, it also would take into account how much money is raised for the Treasury.

I have heard this argument on capital gains. Capital gains is a voluntary tax. How many ranches and how many businesses are we looking at today that are not being sold or even offered to be put on the market because of capital gains? They find other ways of transferring that property, some way to do it. It is a voluntary tax. You do not have to pay the tax because you do not have to sell. So what happens? It does not go up for sale and their commercial activity is lost.

So we have to look for a way, a program which creates jobs, opens up employment opportunities, boosts the economy and raises money for the Treasury. It is commercial activity that does that. Of course, I was not trained in economics. I pretty much have street economics. It is pretty simple: This is accounts receivable over here; this is accounts payable over here. Nothing happens in accounts payable until something happens in accounts receivable. That is the way it is. That is a pretty simple way to go through life. Nonetheless, that is the way we have to score and take a look.

Montanans, like all other people around America, sent a loud and clear message last November 8. There are still some people who are trying to interpret that message, and there will be different interpretations of it as long as there are writers of editorials, as long as there are coffee klatches, as long as there are service clubs. Wherever you hear public discourse, there will be an array of messages that was heard November 8.

But I think I heard the message. I heard the message that says we have to change some things before we really get the job done. Three reforms have to happen: Spending reform, budget reform and regulatory reform; and also something that puts some steel or backbone, as far as picking those winners and losers in spending and the way this Government spends money—priorities. It makes you get on the field and debate the priorities of which direction we are to be going.

An ABC-Washington Post poll taken early in January showed that 80 percent of those polled said they support a constitutional amendment to require a balanced budget.

When looking at budget priorities the Federal Government seems like a good place to start. The Federal Government consumes 23 percent of GDP. The current growth rate of Government spending is 2 percent per year faster than the economy. It's time to get a tight rein on the power and size of the Federal Government. The economist, Milton Friedman, put it best when he said, "There is nothing so permanent as a temporary government program."

The Federal Government has encroached on State's rights and spending has gone up to keep pace. Its overambitious agenda steals individual rights even as it indebted the people. Congress and the Federal Government have to get their hands out of their pockets.

It's time to redistribute the power to the States. Shrink the Federal Government and given the money straight to the States. Cut out the middle man—the paper pusher in Washington, DC.

By giving the States block grants they can use the money as they see fit, tailoring it to their specific needs. Every State is different and has different needs. One size does not fit all and the Federal Government should not be trying to force one program to fit every State. What works in California, doesn't always make sense for Montana and West Virginia.

Once again, opponents of the amendment are using scare tactics to defeat this measure. They threaten that important programs will be cut or even eliminated, that it will endanger our economic recovery. There has to be plenty of places to make responsible cuts in a $1.6 trillion budget. And by balancing the budget, Congress can ensure our continued economic strength and future power.

House Joint Resolution 1 allows Congress plenty of time to get the fiscal house in order. Under this amendment, Congress would have until the year 2002 to balance the budget. That's 7 years.

Over the course of 7 years, spending can be reduced gradually. The budget does not have to be balanced overnight. Seven years is a long enough lead time to do the job, and do it fairly.

The President will be required to offer his budget that is balanced based on good faith, but Congress will be forced to stick within its budget.

Balancing the budget is going to take some hard decisions, some politically distasteful choices. But the reward will be a balanced budget and a more prosperous America. It's time to stop impoverishing the next generation of Americans. Pass the balanced budget

amendment and put some discipline in the budget process.

I feel very strongly—very strongly—if we do nothing else in this 104th Congress and we pass this balanced budget amendment, I think we have sent a strong message to the American people: We hear you. We care.

But they also hear another message; that they, too, in their neighborhoods also have some responsibility of participation to make sure it works and to help us. That is the message back to the voters: Help us. Help us set those priorities on maintaining this Government and also this great, great free society in which we live.

Thank you, Mr. President, I yield the floor.

Mr. HATCH. Mr. President, I want to reemphasize that this is one of the most important debates that has ever taken place in the U.S. Senate. The subject matter indeed goes to the very heart of the hope of the Framers of the Constitution for the constitutional system—a system that would protect individual freedom and restrain the size and power of the Federal Government. In the latter half of this century, however, the intention of the Framers has been betrayed by Congress' inability to control its own spending habits. I want to explain how passage of the balanced budget amendment will further the intent of the Framers of the Constitution. I also want to demonstrate that Federal balanced budgets—up to very recently in our history—was a customary norm. We must return to that norm if we ever hope to assure the economic well-being and vibrancy of these United States.

THE BALANCED BUDGET AMENDMENT AND THE CONSTITUTION

Mr. President, let me first say what the modern day crisis is: Our Nation is faced with a worsening problem of rising national debt and deficits and the increased Government us of capital that would otherwise be available to the private sector to create jobs to invest in our future. Increased amounts of capital are being wasted on merely financing the debt through spiraling interest costs. This problem presents risks to our long-term economic growth and endangers the well-being of our elderly, our working people, and especially our children and grandchildren. The debt burden is a mortgage on their future.

Mr. President, the time has come for a solution strong enough that it cannot be evaded for short-term gain. We need a constitutional requirement to balance our budget, Mr. President, House Joint Resolution 1, the consensus balanced budget amendment is that solution. It is reasonable, enforceable, and necessary to force us to get our fiscal house in order. But it not only furthers the economic welfare of our Republic; it fosters the Constitution's purpose of protecting liberty through the framework of limited Government.

James Madison, in explaining the theory undergirding the Government he helped create, had this to say about governments and human nature:

> Government [is] the greatest of all reflections on human nature. If men were angles, no government would be necessary. If angels were to govern men, neither external or internal controls on government would be necessary. In framing a government that is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is no doubt the primary control on government; but experience has taught mankind the necessity of auxiliary precautions. [Federalist No. 51.]

Mr. President, we are here to debate such an auxiliary precaution, House Joint Resolution 1, proposing an amendment to the Constitution of the United States to require a balanced budget, because our recent history has shown us that Congress is not under control.

The balanced budget amendment helps restore two important elements in the constitutional structure: Limited government and an accountable deliberative legislative assembly, both of which are vital to a free and vibrant constitutional democracy.

A deliberative assembly, the essence of whose authority is, in Alexander Hamilton's words, "to enact laws, or in other words to prescribe rules for the regulation of society" for the common good, was considered by the Framers of the Constitution the most important branch of Government because it reflected the will of the people. Yet, as the maker of laws, it was also considered the most powerful and the one that needed to be guarded against the most.

Recognizing that "[in] republican Government the legislative authority, necessarily, predominates" and to prevent "elective despotism," James Madison, the Father of the Constitution, recommended that the Philadelphia Convention adopt devices in the Constitution that would safeguard liberty. These include: Bicameralism, separation of powers, and checks and balances, a qualified executive veto, limiting congressional authority through enumerating its powers, and, of course, the election of legislators to assure accountability to the people.

However, in the late 20th century, these constitutional processes, what Madison termed "auxiliary precautions," have failed to limit the voracious appetite of Congress to legislate into every area of private concern, to invade the traditional bailiwick of the States, and, consequently, to spend and spend to fund these measures until the Federal Government has become functionally insolvent and the economy placed in jeopardy.

Congress has been mutated from a legislative assembly deliberating the common interest into the playground of the special interest.

The balanced budget amendment, Mr. President, will go a long way toward ameliorating this problem. It will create an additional constitutional process—an auxiliary precaution—that will bring back legislative accountability to the constitutional system. The balanced budget amendment process accomplishes this by making Federal deficit spending significantly more difficult. Significantly, it advances liberty by making it more difficult for the Government to fund overzealous legislation and regulation that invades the private lives of citizens.

THE HISTORICAL NORM OF FEDERAL BALANCED BUDGETS

Mr. President, I would like to read two quotations:

First, "The public debt is the greatest of dangers to be feared by a republican Government."

Second, "Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find * * * additional means for the display of individual enterprise."

These quotations are not recent statements by current proponents of the proposed amendment. The first statement was made by Thomas Jefferson and the second by Andrew Jackson.

These two quotations illustrate an important truth: No concept is more a part of traditional American fiscal policy than that of the balanced budget. In fact, Jefferson himself wished the Constitution had included a prohibition on Government borrowing—an early version of a balanced budget amendment, if you will—because he thought that one generation should not be able to obligate the next generation.

Throughout most of the Nation's history, the requirement of budget balancing under normal economic circumstances was considered part of an unwritten customary national policy.

Influenced by individuals such as Adam Smith, David Hume, and David Ricardo, the drafters of the Constitution and their immediate successors at the helm of the new Government strongly feared the effects of public debt. The taxing and borrowing provisions of the new Constitution reflected a need of the new Republic to establish credit and governmental notes and negotiable instruments that would spur commerce.

Yet, the Founders and early American Presidents were in virtual unanimous agreement on the dangers of excessive public debt. Consequently, for approximately 150 years of our history—from 1789 to 1932—balanced budgets or surplus budgets were the norm.

While budget procedures had little of their present organization, the concept of a balanced budget was accepted widely as the hallmark of fiscal responsibility. Those deficits that did occur—during wartime or during the most severe recessions—normally were offset by subsequent surpluses.

Between 1932 and 1960, the rigid rule of annual balanced budgets gave way to a fiscal policy in which balanced budgets remained an overall objective, but in which deficit spending was also viewed as a tool occasionally useful to affect appropriate economic results. Nonemergency deficit spending was legitimized in 1936 with the publication of John Maynard Keynes' "General Theory." Great weight was placed upon the ability of the Federal Government to manage the economy through fiscal policy; that is, through spending and taxation.

However, a real turning point in the history of U.S. fiscal policies occurred during the 1960's. Even the Keynesian objective of balancing surplus years with deficit years succumbed to the idea of regular, annual uncompensated-for deficits. In other words, our deficits, which were historically cyclical, reflecting boom and bust, war and peace, became structural and permanent.

During the 1960's, we were paying for the Vietnam war at the same time as the war on poverty. The Great Society had noble goals and great intentions. But, the Great Society, on top of the war, was financed through debt and helped to develop our proclivity for deficit financing our national aspirations.

During the past three decades, the Federal Government has run deficits in all but a single year. The deficits have come during good times, and they have come during bad times. They have come from Presidents who have pledged themselves to balanced budgets, and they have come from Presidents whose fiscal priorities were elsewhere. They have come from Presidents of both parties.

Even more alarmingly, the magnitude of these deficits has increased enormously. During the 1960's, deficits averaged $6 billion per year. In the 1970's, deficits averaged $36 billion per year. In the 1980's, deficits averaged $156 billion per year. And, in the 1990's so far, deficits have averaged $259 billion per year.

The total national debt now stands at over $4.8 trillion. While it took us over 200 years to acquire our first trillion dollars of debt, we have recently been adding another trillion dollars to our debt about every 5 years and will continue to do so under current projections at a slightly faster rate as we approach the end of the decade.

Deficits and the national debt have grown, in large measure, because Government spending has grown. As total Government spending has increased, so has Government's relative share of the economy. In 1929, Federal expenditures of $3 billion represented just 3 percent of GNP. By 1950, the Federal share had risen to 16 percent of GDP or about $43 billion. For fiscal year 1993, Federal Government spending of over $1.4 trillion commanded nearly 23 percent of GDP.

To illustrate this growth in another way, the first $100 billion budget in the history of the Nation occurred as recently as fiscal year 1962, more than 179 years after the founding of the Republic. The first $200 billion budget, however, followed only 9 years later in fiscal year 1971. The first $300 billion budget occurred 4 years later in fiscal year 1975; the first $400 billion budget 2 years later in fiscal year 1977; the first $500 billion budget in fiscal year 1979; the first $600 billion budget in fiscal year 1981; the first $700 billion budget in fiscal year 1982; the first $800 billion budget in fiscal year 1983; the first $900 billion budget in fiscal year 1985; and the first $1 trillion budget in fiscal year 1987. The budget for fiscal year 1995 was over $1.5 trillion.

Under current projections, Government spending will continue to rise, using capital that would be put to better use by the private sector to create jobs. To starve the primary engines of economic growth of needed capital is to risk our long-term economic security.

Mr. President, it is absolutely clear that to restore the constitutional concept of limited Government and its protection of liberty—as well as to restore fiscal and economic sanity—we must pass this balanced budget amendment.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we have been focused in the last 6 months on the O.J. Simpson trial, and one of the first mistakes made in that case by one of the defense lawyers was when the defense lawyer allowed O.J. Simpson to give a long statement to law enforcement. It led to that attorney being fired by O.J. Simpson because O.J. Simpson, could have given testimony incriminating himself.

Those of us who have practiced criminal law recognize that people have a constitutional right to not incriminate themselves. The fifth amendment provides for this right. I am sure we have all seen movies where people stand and say, "I refuse to testify for fear that I will incriminate myself."

The reason I mention that today, Mr. President, is the majority of people pushing the balanced budget amendment are unwilling to tell the American public what they have a right to know: How the budget will be balanced. They, in effect, are taking the fifth amendment because they do not want to incriminate themselves. They do not want to tell Social Security recipients, and others, that they are going to use the Social Security trust funds to balance the budget.

I believe that this right-to-know amendment that will be offered by the minority leader tomorrow is an important amendment. It is an important amendment because I believe that we have an obligation to tell the truth to whomever asks us for the details. And that is the question that is being asked in the form of the Democratic leader's amendment: How are you going to arrive at the numbers in 2002 to balance the budget?

I think it is important that we recognize that the American people care about this. Eighty percent of the American public believes that there should be a balanced budget amendment. I believe that. But you ask that same number of people whether you should balance the budget using Social Security trust funds, and over 85 percent of the people say it should not be done that way.

So, in effect, the numbers do not support a balanced budget amendment if you are going to use Social Security.

The reason I have been such an advocate of the right to know is because I am the one who last year offered an amendment to protect Social Security. I am going to offer that same amendment. I am going to be joined by a significant number of my colleagues to exclude Social Security from the balanced budget amendment. That in fact should be done.

I believe it is important the American public know how we are going to balance the budget. Why? My friend, the majority leader in the other body, Representative ARMEY from Texas, has stated that we cannot have the right-to-know amendment passed, for if we did, the knees of all Members of Congress—in both the House and the Senate—would buckle and they would not vote for the amendment. Why? Because the American public then would know, in his words, too much. So I believe the American public has a right to know.

Maybe what we should do is change the name of this balanced budget amendment to the trust me amendment. Just trust me. Everything will be just fine. Do not worry about it. We do not need to tell you how we are going to do it. Just trust me. We will call it the trust me amendment.

I believe, Mr. President, that the Democratic leader's demand for greater details is the right way to go. It is insulting to the American public, the people of the State of Nevada, to suggest that we cannot tell the American people how we will balance the budget because, if they knew, they would not support the passage of this amendment. So let us call this the trust me amendment rather than the balanced budget amendment. The American people, you see, Mr. President, should not be treated like sick children: Take the medicine; it will taste fine; it will make you feel better. Trust me.

No, I do not think we can treat the American people like sick children: Just open up and swallow the medicine; it is good for you. They have a right to

know and we have an obligation to tell them. We cannot, I repeat, take the fifth amendment and say we do not have to tell you for fear you will hold it against us.

Amending the Constitution is serious business that carries with it far-reaching ramifications. Like a patient about to undergo serious surgery, the American people ought to be told of all the options and all the possible ramifications.

Mr. President, when I first started practicing law many years ago, a doctor did not have a profound obligation in law to tell the patient what might happen to them when they undertook a procedure. They really did not have to sit down the night before the operation and indicate to them: You are going to be just fine, but you should know that in 10 percent of these surgeries this dire result takes place.

No, that was not the rule. But it is now. The case law has made it so that physicians now have an obligation to tell a patient what are the ramifications from the procedure they are about to undertake. The patient has a right to know. The American public, being the patient in this instance, has a right to know what is going to happen, and that is why we are asking that there be a glidepath as to how the balanced budget is going to be reached.

All we are asking—it does not seem too much—is an honest, up-front accounting of how we will be able to balance that budget.

Let us assume that today or tomorrow we passed an amendment to the Constitution that outlawed all violent crimes. It sounds good: We are going to outlaw all violent crimes. But unless we set out a detailed plan as to how this amendment would be enforced and the crimes to necessarily be included, it would not be worth the paper on which it is written.

That is what the balanced budget amendment or the trust-me amendment is all about. We are going to do the right thing, and balancing the budget sounds like the right thing to do.

It kind of reminds me of about 15 years ago at Caesar's Palace in Las Vegas. They were going to have an event. The event was that Evel Knievel was going to jump across the fountains at Caesar's Palace. None of us thought he could do it. He said, "Trust me; I can do it." I can drive my motorcycle and make this giant leap of faith and I will be just fine.

Thousands of people went to Caesar's Palace that day to watch this man perform this act that no one thought he could do. Millions of people watched it on television. And sure enough, he could not do it. He revved up that motorcycle in his red, white, and blue jumpsuit and off he went. The motorcycle turned in the air, and he was splattered all over the pavement at Caesar's Palace. He still has wounds and he still limps as a result of that event.

Well, that is just like this trust me amendment. There can be no way, in this Senator's opinion, that you can balance the budget by 2002 unless you take Social Security trust fund moneys. Logic tells me that is the case. And as I said yesterday on this floor, Willie Sutton, the famous bank robber, after he got out of prison was interviewed. He was asked: Why do you rob banks? Willie Sutton said, "Because that's where the money is."

Well, with the Social Security trust fund, that is where the money is. We are going to have surpluses of billions and billions of dollars by the year 2002 or 2003. It will be about $800 billion. It will go up higher than that, into the trillions, before the downside starts.

I see seated in the Chamber today my friend from Wyoming, the senior Senator from Wyoming. He and I serve together on the entitlement commission. Social Security has problems if we do not bother it, but if we take those Social Security trust fund moneys and use them to retire the debt, we have big problems real quick.

Also, one of the first things I learned in law school is that if you are going to have a contract, you should put it in writing. We have heard a lot on this Senate floor, and especially in the other body, about a Contract With America. We all realize that the real contract with America was negotiated in 1935 when Social Security was passed. That is the real contract with America. And I believe that the trust-me amendment should be an amendment that is a real, true, balanced budget amendment and Social Security should be excluded from it. And to do that we have to put it in writing. We can no longer say to the Social Security recipients—and that is not only old people in this country. It is my children and my grandchildren. I want them to be able to have the ability to receive Social Security. So we want this Social Security exclusion to be put in writing, not some kind of a resolution that does not mean anything.

I have heard that there is going to be a resolution offered that will get overwhelming support in this body. The resolution will say, "We will not touch Social Security, cross my heart." But the American public should understand that resolution does not mean anything legally. I say we must put it in writing in the amendment itself in order to have a real binding, meaningful balanced budget amendment.

So those who may offer a resolution declaring Social Security not applicable under the balanced budget amendment should understand that it will pass overwhelmingly but it means nothing. I respectfully suggest that we need to make sure and understand that such a resolution is only a figleaf to make people's consciences seem a little bit better. Unless it is in the balanced budget amendment—that is, the exclusion for Social Security—Social Security will be the tool used because it is "where the money is," as Willie Sutton said.

On this floor yesterday—I had a dialog with my friend from Utah, the senior Senator from Utah, who has for a considerable period of time managed this bill. Referring to the RECORD of yesterday, I read a statement from my good friend the senior Senator from Utah, where he said:

> Now, that is where we are headed. Make no bones about it. The only way to protect the Social Security trust fund and the Treasury bonds it buys, is to pass this amendment and balance the budget.
>
> Now, Senator REID says we must exempt Social Security because what is—[it says "what" but it means "that"]—that is where the money is. That just is not true. That is where the Treasury bonds are. There is no money there. There are only IOU's which will be valueless if we do not get spending under control.
>
> How do we protect Social Security? We who support this amendment know how. Through good economics, and through a balanced budget amendment. It is the best protection we could give them. The Social Security trust fund is not where the money is. There is no money there. There are only IOU's there.

He goes on to say:

> We have already used the money to pay for other bills of the Federal Government and other spending items.

That is my whole case. That is my whole case. We do not want to do that anymore. This year there will be an excess, a surplus of $70 billion and they will continue to grow. We want to maintain those moneys. We do not want to do what my friend from Utah recognizes has been done.

So I am for the right-to-know amendment. I believe that amendment suggests we should have an exclusion for Social Security. If we do not, we are going to have a cruel hoax perpetrated on the people of this country.

My friend from Utah further is quoted in today's Washington Post as saying, "The right to know is a joke by those who don't want to vote for the amendment anyway." Mr. President, I support the balanced budget amendment and have for many years. But I also support the American public's right to know how we will get the budget in balance. I suggest the only joke we are hearing around here is voices saying, "trust us." The sad fact, however, is that this joke is at the expense of the American people.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I ask the Chair notify me when I have consumed 14 minutes.

The PRESIDING OFFICER. The Chair will so notify the Senator.

Mr. BREAUX. Mr. President, this is probably one of the most important issues we are going to be asked to debate

in this Congress, or maybe several Congresses. I suggest if the Senate today was debating whether Members of the Senate should be allowed to have lunch with a lobbyist, the press gallery would probably be overflowing. They would be listening to every word we say on whether we should have lunch with lobbyists when we come to Washington. But here we are, talking about amending the Constitution of the United States, a decision that can affect every single individual American today—the press gallery looks like a hurricane has just blown through it.

This is an incredibly important decision we are embarking on, taking on in a relatively short period of time—to amend the Constitution of the United States. The balanced budget amendment, it is like apple pie and motherhood and the San Francisco Forty-Niners, everybody loves it in concept. But the devil is really in the details of what we are talking about, and I suggest the details are well hidden. Details about what this means are still in the dark and I suggest that is not the way the U.S. Senate and Congress of the United States should legislate. I think we have an obligation to be honest and frank with the American people, and tell them what we are getting ready to do to them and to the respective 50 States of the United States.

I will start off by saying I support the balanced budget amendment. I have supported it in the past. I have voted for it in the past. I think it is incredibly important that the Federal Government do what most of the States do, although they differ and do it in a very different fashion with the type of budgets they have to keep in balance. They have a capital budget and an operating budget. If the Federal Government had a capital budget and an operating budget, it would be a lot easier for us to balance the budget. We do not have that luxury like most of the States have. We have only one budget and everything is put in. So an effort to balance the budget by the year 2002 is a noble idea, one I support, but one that is not going to be very easy.

My point is everybody is for this in concept but nobody knows the details. So many, in fact, are concerned about what the details really mean and how we are really going to go about doing it that the Republican leader in the House of Representatives, when they asked him what about spelling out the details of how you are going to do this so the people can see it, suggested that we really cannot talk about the details because if we do it nobody will vote for it.

Is that not a heck of a statement to make in the Congress of the United States? That the details are so difficult, and what we are asking the American people to face having happen to them is so difficult to face we cannot tell them about it because, guess what, if we tell them about it we may not be able to do it.

What kind of principles does that stand for? What does that say? We have to pass this in the dark because if we open it up nobody will vote for it? Are we telling the 50 State legislatures if we tell you exactly what this means you will never pass it so we are not going to tell you what it means, we are just going to give you a title and the title says we are going to balance the Federal budget by the year 2002?

If it is good enough to do it is good enough to do in the daylight. Why do we have to do it in the dark? What is wrong with telling them what a balanced budget by the year 2002 really means?

We have to understand in Washington that this balanced budget amendment is not something we are doing here by ourselves. We cannot balance the budget in Washington, amend the Constitution in Washington with a balanced budget amendment, without a partnership arrangement with the States. They have to ratify the amendment that we send to them; 38 States have to analyze it, take a look at it, and say: Our legislators say this is good policy; we will vote to put a balanced budget amendment in the U.S. Constitution.

So they have to be involved. It is a partnership between the Federal Government and the various States in amending the Constitution of the United States. Therefore I suggest the States need to know exactly what this is going to mean— not in Washington, but what it means in the various State capitals around the United States. And I suggest it is not enough for us to say, "trust us," here in Washington—a very novel idea at best. Trust us to do what is right. Trust us to pass this in a way that you are going to be very happy with, trust us to do the right thing that is not going to abnormally affect your States and your citizens. Trust us to make it in a way that you will like. But do not, do not ask us to tell you what it is all about, because you know if we tell you what it really involves you may not vote for it and, boy, would that not be terrible? So please trust us.

President Ronald Reagan used to have a great line when he was talking about the Soviet Empire and all the meetings they had. All the meetings were going fairly well and Reagan would get up in the press conference and say, "trust but verify."

It was a great line. It made sense. We wanted to make sure that, yes, we trusted the Soviets to do what was right because that is what they told us, but he also said yes, but let us verify. Let us make sure the trust is more than a promise to do it right, that we actually see in writing what they are going to do. Trust but verify.

The right-to-know amendment that we are suggesting to be added to this balanced budget amendment is really that: Trust but verify. Tell the States what it is going to mean when that balanced budget amendment hits the capital steps in the various State capitals. What does it mean?

I spoke to the National Governors' Conference the other day and I asked the Governors, I said, Governors: What are you going to say to the President of your senate or the speaker of your house when this amendment hits the steps of your capital and you submit it for them to ratify and those gentlemen or ladies come up and say: Governor, what does it mean for us to vote yes to ratify this amendment? What does it mean to my State of Louisiana? Does it mean we are going to have programs cut and if so which ones are we going to have to cut or eliminate or change? Governor, does it mean we are going to have to increase taxes on the State level if the Federal Government quits giving us these moneys for these programs?

Under the current suggestion of our Republican colleagues, do you know what the answers would be of the Governor? "I don't know. They didn't tell me. They just said we are going to balance the budget. I don't know how we are going to do that. They never told me that. I'm sure they are going to do it right. Trust them."

I suggest any State legislature that is comfortable with the concept of trusting Washington to do something that makes them feel good and solves their problems without giving them an unnecessary burden has not been in State office very long. Trust but verify.

I looked at the Department of the Treasury. These are folks who crunch numbers, that wear the green eyeshades, and they really work on numbers all the time. They are not political appointees. These are economists who have probably been through several administrations.

Gov. Howard Dean of Vermont, the past president of the National Governors Association, has done a tremendous job in this area. He was concerned, just as I am, and he wrote the Treasury Department. He said, "Can you tell me, making various assumptions, what a balanced budget amendment would mean to the various States?" That is a partnership idea. Remember? It is not just us doing it. The States want to know how it is affecting them. Governor Dean wrote to the Treasury Department and said, "Give me a projection as to what it means to the various 50 States if the Congress passes a balanced budget amendment which requires a balanced budget by the year 2002."

He got an answer from the Treasury Department. He mentioned all 50 States. I am particularly interested in one State, the State of Louisiana, that I represent. They said this—this is really important information—about

the impact of the balanced budget amendment and the Contract With America on the State of Louisiana. They said that for all calculations if a balanced budget is achieved by the year 2002 through across-the-board spending cuts that exclude defense and Social Security—that is probably a fairly reasonable assumption. Our colleagues on this side are talking about increasing defense spending. I think in some areas we need to increase. I would agree with them in some areas. We just had our colleague from Nevada saying do not cut Social Security. Does anybody believe that this Congress or the next Congress or any Congress is going to slash Social Security in order to balance the budget? I doubt it. So I think this assumption is fairly significant, and probably pretty reasonable.

Here is what it said about my State. A balanced budget amendment would reduce annual Federal grants in Louisiana State government by $2 billion. There is $1.5 billion per year in lost funding for Medicaid. My State has a $750 million shortfall in Medicaid this year without the balanced budget requirement being in effect. It would mean $94 million per year in lost highway trust funds. What is going to happen to the roads of Louisiana? Are they going to crumble and fill up with water? There will be $48 million per year in lost funding for welfare programs, AFDC for our children; $324 million per year in lost funding for education, for job training, and the environment, housing, and other areas. Talk about the devil is in the details. This is really devil in the details.

Then it said Louisiana would have to increase State taxes by 27.8 percent across the board to make up for the loss in grants. A 27-percent tax hike? I think not. Louisiana is not going to raise taxes 27 percent. They are not going to raise them 2 percent. The conditions in the State do not allow it. It is not good fiscal policy.

Some of my particular colleagues said that is just the Treasury Department's assumptions, and that is not correct, and you cannot depend on that. Fine. Tell them what they can depend on. If it is not these assumptions that are going to go into play, let us know what these assumptions are. Tell us by showing the States what we are going to have to do to get to that point in the year 2002 when the budget is in balance so that when that State legislature, when the President of the Senate, the Speaker of the House, goes to the other legislators and asks them, "Bob, Susan, Bill, I need your vote on this," they will say, "Well, you know, if it is going to mean we have to raise taxes 27 percent, I do not think that is a great idea. I am not going to vote for that," because they will have the right to say the Federal Government is getting ready to stick it to the States, getting ready to stick it to them in the dark because we are not telling them what it is all about.

I would suggest very simply, if these numbers that the Treasury Department have presented here are not accurate, then, fine. But we in the Congress have an obligation to give them accurate figures as to how we are going to reach that goal of a balanced budget in the year 2002.

Here is the resolution that the Governors have adopted, the Democratic Governors. Everybody was all for it. They thought they were going to make us do something that was uncomfortable. Now they are figuring out how it directly affects them. They are saying, "Wait a minute." The Democratic Governors said:

> We support a federally balanced budget amendment. The Democratic Governors believe the citizens of this country also deserve the right to know the implications of a federally balanced budget amendment. Congress must detail its plans to balance the budget before sending the resolution to the States for ratification.

I think that is at least the minimum that we can do here at the Federal level as we debate this particular resolution. I suggest that it is important for us to let the States know what we are talking about doing to them.

Final point: Some of my colleagues on this side have said, "Well, we cannot do that. We do not know what it is going to be like 7 years from now." I mean we do not know the economic conditions. We cannot project out 7 years. Last year and the year before last we passed the budget reconciliation bill. We did exactly what we are talking about doing today for 5 years. Would my colleague, since they cannot go 7 years, at least tell the States what they can expect for 5 years? We do that all the time. Every bill we bring up has a 5-year glidepath. How much are we going to lose in taxes? How much are we going to raise? What kind of programs are going to have to be cut to meet certain goals?

Let me ask my colleagues who say we cannot do it for 7, would you go 5? Would you consider we do a budget resolution for 5 years and spell it out for 5 years as part of this balanced budget amendment? At least the State of Louisiana would know what it is going to be like for 5 years. I will go 5 years if we cannot go 7. Do not tell them we cannot go 5 because we do that all the time. When we passed the budget reconciliation years ago, we cut the deficit by one-half trillion dollars. Not one Republican colleague stepped up to the plate to support that because it was tough.

I would simply suggest that it is not that we cannot do it, but rather that we will not do it. It is easy to pass a balanced budget amendment in general terms, but this Congress, I would suggest, does not have the courage or the wherewithal or the strength to tell the States what it really means to them. How is it going to affect them? A budget resolution accompanying this balanced budget amendment would let the States know what we are really getting ready to do to them. Shifting the burden of taxation is really easy. It is real easy. I will tell you. If I was a State, I would want this Congress and any Congress to accompany that balanced budget amendment with a budget resolution that spells out exactly what it is going to mean. Without that, we do not have a partnership. Without that, they do not have the information to make the right decision. I want to give it to them. I think that they ought to look at it and decide whether that is what they want to ratify. But do not ask them to do it in the dark.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I want to speak on behalf of Senate Joint Resolution 1, the resolution to provide for the ratification of the balanced budget amendment.

I want to commend Senator HATCH for his extraordinary work and patience in regard to this measure. And also Senator SIMON, Senator HEFLIN, Senator THURMOND, and back through the years, Senator DECONCINI. So many of us have worked for so long on this measure. There are really no other questions to ask about this measure. We have asked them all. We have heard every hypothetical, every argument, every horror story. Everything that could possibly be laid out would fill the Chamber to the seals on the ceiling.

Recently, the President, working with the then Democratic majority in both Chambers of Congress, passed the latest in a series of deficit reduction plans. We have heard reference to that. We did the Omnibus Budget Reconciliation Act of 1993, or OBRA, and it was supposed to shave $500 billion off of the Federal deficit over the next 5 years. This, of course, was $500 billion in "deficit reduction," as defined in the exceedingly perverse language employed only here in Washington. Mind you, this meant not that deficits would be $500 billion lower, or that the total debt would be "reduced"; it meant that rising deficits would cumulatively amount to $500 billion less than some esoteric, abstract figure which only Washington policymakers seem to understand, and it is quaintly called "the baseline."

The "baseline," of course, is everchanging. Lord only knows how the baseline is properly figured, but its chief function seems to be as a device of consolation for the poor, beleaguered American taxpayer. Debt continues to compound and annual deficits are projected still to skyrocket. But, take heart, ye of the faithful, unwashed taxpayers, there was an even worse scenario out there for you called "the

baseline." Thank heavens we have all done better than that, and the public is then assured that all is well.

Mr. President, all is not well, and all will not be well until this situation is brought under control with finality. The 1993 budget was only the latest in a long series of similarly hyped budget procedures. Both parties and all Presidents have been so good at it. 1990 was the last one before that, and I voted for that one. We have been passing deficit reduction acts around here for as long as I can recall, and the numbers are always off. They never match; they are never right. Five years later, there was always some dramatic thing that skewed the numbers.

Time and again, they have failed to resolve this situation once and for all. Why is that? One reason and one reason only: Each one of them has failed to deal with the fundamental problem of the entitlement spending explosion. The 1993 Budget Act most certainly failed to do that. President Clinton proposed only modest reforms in Medicare, and he had to face down a revolt from his own liberal wing and remove even those slight changes in order to pass his Budget Act and leave that spending to grow on, unabated, unrestricted. All the while, Congress was debating a huge new entitlement in the form of the Health Security Act.

What is the latest verdict on the 1993 Budget Act? Where are we heading now that we have passed this landmark legislation? The CBO has just reexamined the entire Federal budget outlook, and here is what they find: In fiscal year 1994, the annual deficit amounted to $202 billion. In fiscal year 1995, they project that figure will shrink to $176 billion, and there is joy in the streets with regard to that figure—at least more joy on the other side of the aisle than here, because that does not mean we now will owe less money as a Nation; it is $176 billion more in debt that future taxpayers will have to pay off, but it would represent slightly less than we added in fiscal year 1994.

Where do we go from here? In fiscal year 1996, the CBO tells us the annual deficit will again be back up to $207 billion—more than either of the 1995 or 1994 figures—and it keeps going up after that. We all know it and we talk about the figures on the floor. It will go up to $253 billion in fiscal year 1999, and we all know it.

Not only do hundreds of billions in debts stand to be added to posterity's burden every year, but we stand to add to that debt still more quickly—not at some distant, far-flung date, but next year, 1996, according to CBO, is when annual deficits begin to skyrocket again.

Mr. President, the 1993 Budget Act affected no fiscal years earlier than 1994. This is progress? Skyrocketing annual deficits are still projected for as far as the eye can see beginning next year. I can personally tell you that the long-term picture is much, much worse than that.

I had the "honor"—and I put that in quotation marks—to participate in the collective suicide mission that was known as the President's Bipartisan Entitlement Commission, or the Kerrey-Danforth commission, named after its tireless chairman and vice chairman. If you want to know what will happen to this country in the next century, in the next 25 years, the next 50 years, get a copy of our report. There were more than several Senators on the bipartisan commission, a wonderful group of people, Democrats and Republicans alike. Get a copy of the report that was released last Friday. It lays it all out in vivid, full-color graphs. The Senators involved on the entitlements commission were Senators KERREY, DANFORTH, MOYNIHAN, SASSER, MOSELEY-BRAUN, REID, BUMPERS, DOMENICI, GREGG, COCHRAN, WALLOP, and myself. We all were involved. See our work product. See that 30 of the 32 of us agreed that in the year 2012, even with no new spending initiatives and with no increase in taxes, there will be only sufficient funds to pay for Social Security, Medicare, Medicaid, Federal retirement, the other entitlement programs, and interest on the national debt; and there will be nothing—nothing—for defense, transportation, education, WIC, WIN, Head Start, NEA, NEH, or any other discretionary program of the Federal Government. Zap. Nothing. We all know that, too. At least 30 of 32 of us who sat for nearly a year know that. I would think our colleagues would want to listen to what we presented.

But I favor the balanced budget amendment because I just simply think it is "shock therapy." There is no other purpose for it. It is to force us to confront the real components of the Government's spending problem. The opponents of the balanced budget amendment say it is not needed, that all is needed is for Congress to "screw up" its collective courage to pass legislation curbing rising deficits. That is an appropriate, I think, two-word description of what we have been doing with regard to the budget for years.

I know all too well what happens when you try to do that. You get exactly the sort of hysterical propaganda that is currently being hauled out in bales by the metric ton in opposition to the balanced budget amendment.

Phrases ring through the Chamber: "Tell us how you are going to take food away from starving seniors and hungry children," they say. Spell it out to us. When you try to explain that you are only talking about more modest increases in Government spending, you are lost and they are lost. And then they unleash on you.

We have not proposed a "cut" of anything in Social Security. We have not proposed a "cut" of anything in Medicare, or a "cut" in Medicaid. We are just trying to slow the growth. Apparently, it is still not being heard. So if Medicare is going up 9 percent, we say let us let it go up only 6 percent, and it is described to the American people as a "cut." It is a sad day for the use of the English language and a true distortion of what is being said.

A 6-percent increase is not a cut. And it is sad to watch that continual description over the media and in this Chamber about cuts when all you are trying to do, and we all are trying to do, is limit the increase in growth. Not a cut in a carload.

In short, Federal budget policy debates are eternally paralyzed around this place because the real issues are obscured in a haze of misleading anecdotes, rhetoric, and carefully crafted statistics. Just try to come down to the floor, as I say, and suggest that this year we are going to let Medicare go up only 8 or 6 percent instead of the 10 or 9 percent projected. Broadsides will be fired all across the country saying that you are planning brutal cuts in Medicare. How could you—choke, gasp, sob—do such things?

Why should you make such a heartless proposal anyway? Why not just cut foreign aid, or raise taxes on the rich, or get rid of the tse-tse fly study? That is a marvelous thing, if we could just get rid of the tse-tse fly study. It is only 100,000 bucks. Or get rid of the highway demonstration projects. Try that one, at least in the House. They used to try it. That is like pulling teeth with no anesthetic. Or, of course, if we get rid of the restoration of Lawrence Welk's house, that would do it. If we could only end that sort of thing. Or congressional pay raises and we should look at that, indeed.

And we never did one of those here in all my time here while in the dark. The last one which was reported to the American public by the media was that we voted in the middle of the night for a pay raise. I think it was about 9:45 in the evening and everybody was here and everybody voted "yes" or "no." I do not think that is too much of a secret endeavor. And anybody can go look and see how anybody voted. We do not do it that way.

Well, maybe get rid of the franking privilege. That's it. That would solve all our problems. Or just simply abolish waste, fraud, and abuse. Oh, if we all did that, there would be no problem.

Well, so long as Congress is not forced to actually balance its books, it will be possible to survive politically—and there is the key, ladies and gentleman—while pandering to every public misconception there is about the structure of the Federal budget.

I have served our party as assistant leader for some 10 years. And I commend my successor. He is doing a splendid job. I am proud of him, my friend, Senator TRENT LOTT.

And, as an aside here, let me tell you why I am going to vote for term limits, so that you may hear. Of course, I was not for it when I was running for my third term, but that is another story! But I can tell you, I will vote for that and I will tell you why.

I cannot tell you how often—about once a month—in my duties I would say, "We need your vote. It is a very critical vote for the Nation's best interest. We need it." And they would say, "I know it is a critically important vote and we do need it, but I cannot vote for it because if I do I will be history. I will be gone. I will not get reelected." And I would say, "So this is your sole reason for not voting for this amendment or this bill, is that you will not get reelected?" And they would say, "You got it."

And so I say, nothing would be better than the term limits legislation, because once it kicked in, one-third of this body would be voting right. One third of these Senators would vote right. And then, in the duties of the leadership, all you would have to do is go find 18 other people out of that pool of about 40 who always cast the tough votes. There are a group of about 40 in here, Democrat and Republican alike, who often cast the tough votes, consistent tough votes. Do term limits, then you would have a third of them doing it right. They would be unshackled and you then go dig up 18 more and you have your 51 to pass an issue. It would change this body immensely.

So I certainly look forward to the day when the Congress actually has to balance the books as would be required by the Constitution of the United States and as required in constitutions of other States. And I said before and say again, it would be "shock therapy." And I would relish it.

Because everyone who has been making a lifetime career of running against foreign aid or for increased taxes on the rich or always prattling about class warfare and why cannot we just do what we were hired on to do—let us check them out in the old hypocrisy index. The index hurt a lot of them in the last cycle. It scored up how much they talked about cutting and how they actually voted, especially and solely on spending. We all do it. I do it. We all do it. Look at our votes. One man's junk is another man's treasure; some pet project, some massive public works. We all do it. Every single one of us do it.

And so, if we would do those things, we would see those people exposed in one fell swoop. They will then be bound to the Constitution with hoops of steel to balance the books, and when they come out with a proposal to eliminate the 1 percent of the budget that goes to foreign aid—1 percent—that just will not get the job done, and they will be forced to come back and try again.

Or they will say, let us raise those taxes on "the rich," and they will get about a half inch closer to solving the problem that way and once more they will have to try again.

I have a certain perverse strain in my nature. When people at a town meeting say, "Why don't you just nail the rich and we could seal this hole and make progress?"

I say, "No, no. Let's not increase their taxes. Let's take everything they've got. Why mess around? Let's take every stock certificate, every ranch, every yacht, every piece of property. Let's take it all. Let's take every debenture. Let's take all the big family money in America, all the Wal-Marts, all of this, all of that."

Guess what? It would be about $800 billion and that would run the country for 6 months—$800 billion would run the United States for about 6 months. That is in taking it all. That is in taking the Fortune 500, the Forbes list, the whole works. Take it all, $750 billion or $800 billion, and yet the budget this year is $1.506 trillion. Not a very good idea then, but it sounds so good.

Certainly, just as there are today, there will be those who will win elections by uttering such platitudes, and in today's process, they can still go back to the electorate the next time around and say, "Well, we failed to balance the budget because the Congress didn't adopt my wisdom. We aren't taxing the rich enough, we did not cut foreign aid." And there are still some to cut out there. I saw it myself. "There is $15 billion out there, folks," and they all get glandular reactions from that. But $15 billion will not get you there because the budget is $1.506 trillion. And who is the wiser in that process?

But with this amendment, this courageous amendment, the American public will become educated in a real hurry about where and how the Government spends its money, and I am greatly looking forward to the anguish connected to it all. No wonder it is opposed by every special interest group whose job it is to drain the Federal Treasury. Their executive directors are paid to horrify the membership to get them all worked up, to be sure that they earn their salary, to be sure the letters come cranking in, without regard to the burden placed on future taxpayers.

Do you really think that the AARP—the American Association of Retired Persons—really wants the people of the United States, or even their membership, to really find out that you cannot enact their $1.3 trillion—get this figure, $1.3 trillion—agenda and balance the books at the same time?

Hear me. This is a report from the National Taxpayers Union Foundation of April 28, 1993. The next time you go to a town meeting and the AARP is out there—and let us remember who they are—there are 33 million of them who pay 8 bucks dues and they are bound together by a common love of airline discounts, and automobile discounts and pharmacy discounts.

Do their members know what their agenda is, ladies and gentlemen? Their agenda is this: Long-term health care for everyone in the United States, regardless of their net worth or their income. Ring that one up. Universal long-term health care, regardless of wealth. That is $60 billion over 10 years. Second, expand Medicaid to cover all below poverty, $35.7 billion over 10 years. Catastrophic care, $15.8 billion. Medicare to cover "near elderly"—I suppose those are people that fall into the 45-year-old category, because that is only 5 years below the admission date of your "elderly" age to get into the AARP; members only have to be 50, so I suppose "near elderly" is defined as one 45 years old—that is $10 billion. Expanded Medicaid long-term care, $7.3 billion. Changes in Social Security benefit formulas, $19.1 billion. Expansions in earned income credit, $15.2 billion. Expansions of SSI, $7.7 billion. Housing assistance for all who qualify, $34.6 billion.

So the next time Members are getting in a little scrap from the old AARP, and they are out there with signs and posters, ask them if they have any grandchildren, first. That will get a rise out of them. Then ask them how we are supposed to pay $1.3 trillion for the next 10 years to take care of their agenda they tell their Members about in their magazine that looks like a clone of the Smithsonian magazine. Ask them.

I imagine my mail will pick up when I return to my chamber. There will probably be a little bit of light anecdotal material like, "You rotten—." I do not know what it will be, but it will be heavy, and it will come from AARP members who do not know one thing about their membership asking this Treasury to cough up 1.3 trillion bucks in the next 10 years for people, regardless of their net worth or income.

Some of it is not "affluence tested." We ought to affluence test it all. I want to be very clear. I am not talking about people who are poor. I am not talking about seniors who have no proper nutrition. I am not talking about Meals on Wheels. I am not talking about Green Thumb. I am talking about people who, to some, the cost of living index and the cost of living allowance is the cost of "living it up."

One of the saddest things—the saddest thing—that I saw in the entitlements commission was where a young man came and testified with a young people's advocacy group. Boy, young people better start paying attention here. These young people came and testified, one young man with sadness, said that he visited his grandfather in Florida, and he loved his grandfather dearly. And the COLA, cost-of-living-allowance—to his grandfather, who was

a lovely man and had done well in life, was whether he would be able to upgrade his country club membership. Ladies and gentlemen, that is not what a COLA is for. A cost-of-living-allowance is something to take care of someone who is truly needing that.

We are going to have to start affluence testing the COLA's. We are not talking about cutting a single cent from a Social Security benefit. Hear that one. I do not want to hear any more of that babble. Nobody here except one group, which I believe is a remarkable group, including our former friends from the Senate, Paul Tsongas and Warren Rudman, have suggested affluence testing of the benefits. I have not subscribed to that. But we are certainly going to subscribe to affluence testing of the COLA's or we will not make it, because they range between $7 billion to $22 billion a year, depending on the Consumer Price Index, the CPI. Unless we breathe reality into that index, we will not make it, either. It is distorted. It needs correction. It still has a commodity designation in it called typewriters. It is not even current.

Well, I could go on, and Members are thinking, "He is going to." But I will say this. This is a tremendous challenge. The House has taken up the burden. They secured 300 votes. We in the Senate should pay careful attention.

Let me conclude with what should be obvious to all Members, if not so already, is that the struggle is between those who are seeking to keep this amendment in a form that can pass this Congress, and those who will find every single indirect means to bring it crashing down.

I applaud the distinguished Senator from West Virginia [Mr. BYRD], the very able, venerable conscience of the Senate, for his forthrightness and courage in opposing the balanced budget amendment. Subterfuges are not for him. Deception and chicanery are not his tools. He is right out front. He openly declares his opposition to this amendment, honestly lays himself out to the judgment of his constituents, makes his argument, and states his reasons for opposition as his means of fighting hard against the passage of the amendment.

But it is my view that the greatest danger comes from those who will be tripped up in supporting, with all good intention, any number of amendments that will be offered as a means of peeling away the two-thirds majority support that the amendment must have. Members will see those. And the House protected itself against those carveouts.

Make no mistake: We will kill the balanced budget amendment if we pass any modification that will leave us with a resolution where we cannot secure the necessary two-thirds in both the Senate and the House and we must not do that.

Let me put it quite bluntly: A vote to exempt Social Security from the balanced budget amendment is a vote to kill the balanced budget amendment; a vote to include a tax limitation is a vote to kill the balanced budget amendment. I am not talking about motives here. I am speaking of the serious practical effects. That is what will happen if these modifications pass. A vote to create a capital budget is a vote to kill the balanced budget amendment. Those issues have been tested, fought over already in the House, and in the Senate for years in the Judiciary Committee. We want to send the balanced budget amendment to the States for ratification. We need to keep it in a form we know to have the requisite support. Every supporter of the balanced budget amendment needs to clearly understand this, as there is little margin for error at this stage of the game.

To those who assert that the balanced budget amendment would impose a terribly unfair burden on individual States as the Federal Government pares down its spending, I make two points in response, in final response. First, we just completed action on the unfunded mandates legislation. This is the best ever protection of its kind for State budgets. Second, it seems to me that the States are in the best position to decide that, after all, and this must be ratified by the States; three-fourths of them have to decide that they want this. They are far better custodians of their own interests than we could ever be.

So, Mr. President, I look forward to vigorous and healthy debate. I think we have begun this on this issue of central importance to our country. I have great enthusiasm for this one, albeit a bit of a personal stake. I personally assumed the ill-advised and totally politically incorrect responsibility of charting out just how I would get this country's fiscal house in order during the coming decades. It is enclosed with the Entitlements Commission report. Members may ask me for a copy, and I shall send it to Members in a brown, unmarked envelope so Members need not know that we are really proposing some dramatic things. No one will know Members received it. And there is nothing I would enjoy more than some added company in the suicide mission, however involuntarily compelled. I seek your assistance if this earnest effort.

I thank my colleague, and I yield the floor.

Mr. LOTT. Mr. President, I thank the Senator for the recognition. I do not plan to take a long time in my remarks here on our constitutional amendment for a balanced budget. I want to thank the distinguished Senator from Illinois [Ms. MOSELEY-BRAUN] for her cooperation in allowing me to go forward. I want also to commend her for her very fine statement on the balanced budget on Tuesday.

Mr. President, the election of 1994 was more than the usual biennial contest for seats in the Congress. It was, in effect, a national referendum. The American people made a historic choice between more government and less government. They chose the latter—less government. Their message to us could not have been more clear. They want fundamental changes in the way the Congress conducts business. And the most important change they want is in the way we spend their money.

Every Member of Congress knows that the public wants a balanced budget amendment to the Constitution. Poll after poll shows that. The only question is whether we will give them what they want.

I think we will. I am convinced that no matter how ferocious the opposition, the time has finally come when the Congress will submit a balanced budget amendment to the States.

I do not say that as boast or bravado because the drive for a balanced budget amendment is not something for which we can take credit. I do not think any of us in Washington can.

If there has ever been a grassroots crusade, this is it. If ever the American people were determined to take the future back into their hands, I think it is now. That is the reason the House has already passed the joint resolution for a balanced budget amendment to the Constitution, the one we are debating now, by an overwhelming vote of 300 to 133. That was a bipartisan vote, or rather, it was nonpartisan. After a lot of debate, after rejecting some tough amendments, and after resisting pressure from all the usual special interest groups, 300 Congressmen voted for this balanced budget amendment.

I hope the amendment will have the same broad support in the Senate. Even if, in the past, most of the votes have come from this side of the aisle, it is obvious that there is support for it on the other side as well. There is support for a balanced budget amendment from Republicans and Democrats, from conservatives, moderates, and liberals. And we should come together, after full debate, vote on this issue and pass it.

The reason for the amendment's broad support, both in the Congress and most importantly among the public, is that it is no longer just a fiscal issue, no longer an accounting question. More than anything else, it has become a moral issue with the American people. It has become a question of what we are doing to our children and our grandchildren—leaving them a monstrous national debt of some $4 trillion, a debt that will eventually crush the life out of their economy and the spirit out of their enterprise.

There will be those who will say, "Well, how did we get here? Why didn't

you fix this problem in the eighties? Why didn't we do more in the seventies?" We can debate that and we can point back, but I am reluctant to do that. A lot of us in this Chamber have to take some of the blame. I think we all do, especially those of us who have been here more than a couple of years.

So I am not trying to say the blame should go back to President Carter or President Reagan or President Bush or a Democrat Congress, or to the Appropriations Committee in the House or the Senate. That is past. Let us talk about how we can go forward and get control of the insatiable appetite that we have developed over the last 40 years to spend and spend and spend. It is really that simple.

We cannot fix the deficit this year or in 2 years or in 3 years. But we have to begin sometime, someplace. Now is the time, and this is the place. We can get the budget on a glidepath toward balance over a period of years.

The number of years it takes is not as important as the fact that we get started.

Thomas Jefferson summed up the matter two centuries ago. This is not one of his more familiar quotes, but I think it is important that Thomas Jefferson, in retrospect, thought it was a mistake not to include a balanced budget requirement in the Constitution. This is what he wrote:

> The question of whether one generation has the right to bind another by the deficit it imposes is a question of such fundamental importance as to place it among the fundamental principles of the government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

Those are powerful words from Mr. Jefferson. And when I said, a minute ago, that the deficit is more than an accounting problem or a fiscal problem, I was echoing Jefferson's observation that we are morally bound to pay, ourselves, the debts that we incur and not dump them off on our children. That is what is involved here.

Jefferson's advice has fallen on deaf ears in Congress, at least for the last several decades. Even when the Republican economic program of the early 1980's launched the longest peacetime economic expansion in our country's history, with a tremendous increase in revenues for the Federal Government, the Congress—and perhaps the executive branch as well—managed to spend all that new money and still go deeper into debt.

For the last 2 years, some people have been trying to revise history by making the decade of the eighties a bad time. But in fact, the eighties were prosperous. A tremendous explosion of additional revenue came into the Treasury. And with it, we should have been able to control the deficit. But we did not do so because we kept spending even more. Every time we got more revenue, we would spend more money.

We all go home to our States, counties, and cities and they say, "Can you help us with the water system?" "Can you help us with another highway project?" "Can you help us with more funds for this good program or that good program?"

We all say, "Gee, you're right." We want to do that. So we come back up here and want to give them everything they want. But in fairness, it should also be our responsibility to balance the books. We have forgotten that part.

It is not as if we have not had enough revenue. We have had ever-increasing revenue every year. But in search of even more revenues, Congress raised taxes in 1982, in 1984, in 1987, in 1989, in 1990, and most recently in 1993 with a whopping $241 billion hike. Through it all, spending outran those revenue increases.

I voted for some of those tax increases because I thought, if the people want all these expenditures, then we have to pay for them. So I voted for the tax increases in 1982 and 1984 and, I recall, reluctantly in 1987. But then I said, "Wait a minute, I'm not doing this anymore. Every time I vote that way, it doesn't help reduce the deficit. We just spend even more." So I did not vote for a tax increase in 1990 when George Bush was President, and I did not vote for it in 1993 when Bill Clinton was President. I decided that more revenue would not help to control spending or reduce the deficit. We would just spend it.

Time and again Congress promised to reform, lamely requiring a balanced budget at sometime in the future. We had Gramm-Rudman. I voted for that. I thought it would work. What did we do? We started off saying, "Look, we can't have it apply to this program or that program," and after a while, 21 programs were exempt. I was in the gang of 17 in the eighties when we tried to get control of spending. We had the Fort Belvoir exercise in budget control. That didn't work either.

So time and time again we in Congress have tried to do it ourselves, to find a procedure to make it happen. It did not work. Those votes we had did not do any good. The debt continued to increase to the point that interest payments alone are costing us $230 billion in the current fiscal year.

It would be nice to think, Mr. President, that everyone on Capitol Hill has learned their lesson and that things will be different from here on. That is what Lucy tells Charlie Brown every time she pulls away the football and he lands flat on his back. Sooner or later, even Charlie Brown may run out of trust. The American people certainly have, and they said so last November. We fooled them too many times. That was the real meaning of the 1994 elections.

In simplest of terms, the public took back the football. Now they are demanding a permanent structural change in official Washington. They will not be content with superficial adjustments. Who can blame them? The Congress has not balanced the budget in a quarter of a century—since 1969. And without the discipline of the balanced budget amendment, I do not see any prospect of our doing it any time soon.

In recent years, poll after poll showed the public's poor regard for the Congress. And yet, just recently our positive polling numbers doubled, from the 20's to the 40's. What has happened in the last 2 or 3 months that caused the approval rating of the Congress to go up?

I found out this past weekend when I went home. I went to Hernando, MS, to Grenada, Carroll County, and Cleveland. You know why people are pleased with us now? Because they think we are beginning to do some of the things they want us to do.

Now, they are still dubious. They want to see action, not just words. But they like better what they see us talking about. They like the fact that we are doing more things in a bipartisan way, and that maybe we can work with the President. That's progress.

In recent years this institution, in my opinion, has been viewed as the pickpocket at the parade. When we do business, the cheering stops. We have to change that image.

This balanced budget amendment is our best means to set things aright. It will do more than restore fiscal sanity to the Congress. It will go a long way toward restoring the trust of the American people in their institutions of Government. That task is probably even more urgent than balancing the budget, although I think that is an important part of regaining that trust.

I realize that amending the Constitution is not a casual exercise. I struggled with that. It is a last resort, sometimes a desperate resort, when all else has failed. That is the case with the amendment before us.

Many of us in Congress, both in the House and Senate, have worked over the years to stop, or at least slow down the spiral of debt. We do not have much to show for our work. In the same way, the American people have tried by protest and petition, by their voices and their votes, to discipline the appetite of the Federal establishment, to restrain its growth and limit its intrusion into their lives.

Those ways have not worked. So now we have no recourse. If the Congress would be fiscally restrained no other way, by either honor or common sense, then let it forever be bound by a constitutional amendment.

If we want the people to trust us, we have to trust the people. We have to trust their judgment about this amendment. Remember, they will make the final decisions as to whether it becomes a part of the Constitution. Our

vote here will only give the States the opportunity to vote. The State legislatures, on behalf of the people, decide whether the language we have before us actually goes into the Constitution.

Sometimes they surprise us. If we get carried away, the States do not ratify the amendments we send them. Recall that after the equal rights amendment passed the Congress, and even after Congress gave it a legally dubious extension of time to seek ratification, it did not get the approval of three-quarters of the States.

The last constitutional amendment Congress approved, giving the District of Columbia the same voting representation in Congress as the States, failed miserably. Only a handful of States ratified it.

So if we do not deal with this amendment in the right way, the States will simply not approve it. They will not rubberstamp the balanced budget amendment or any other constitutional amendment we send them.

There are those who are going to say, "Show me how you are going to balance the budget. You say you are for a balanced budget amendment. Show me your cards." I think we could turn that around and say, "Show me how you are going to do it if we do not pass a balanced budget amendment." We have been going through that exercise for years. We cannot bind future Congresses. Budget projections are so unreliable, we can barely depend on them for a year or two, much less through the decade ahead. So much always depends on things we cannot know at the present. We cannot say with great detail what money will be required for defense or welfare or disaster relief in the future. We just have to get started. But there has to be a hammer, and this constitutional amendment for a balanced budget is the hammer.

That is all the more reason to keep the language of this amendment clean. It is not a mere law, which we could come back to in a month and amend. If ratified, it will be a part of the most remarkable political document in history: the Constitution of the United States.

That political treasure should not be made to read like a section of the Code of Federal Regulations, citing chapter and verse of various programs. Attempts along those lines are rightly suspect when they come from those who, for years or for decades, played key roles in running up the staggering deficits we now face.

The Federal deficit is like a fire consuming our national prosperity. And now the barnburners want to tell everybody else how to put out the flames and where to aim the hoses.

Their advice has a hollow ring. It seems designed to insulate the Federal spending machine, not any particular program. No one should be surprised at that. The special interests that have, for so long, dominated the Government's budget do not want to leave their places at the public trough. So they are fighting this amendment with every diversion, every red herring they can devise.

Those liberal lobbies had their chance to appeal to the American people last fall, but the voters resoundingly rejected their case. That is why we are now considering this amendment: Because the Federal gravy train stops here.

I realize that, to some of my colleagues, the balanced budget amendment must seem like a repudiation of their entire career, negating their lifetime in public office. So be it. We are guaranteed a favorable place in history only when we write it ourselves. This time around, others are doing the drafting.

Some may find comfort in the past, when it was political summertime, and the spending was easy. But those days are over. The American people are looking to the future, and they are determined to shape it their way, this time around.

The balanced budget amendment is one instrument for doing that. It should not be delayed, or stalled, or stonewalled. But if it is, we can take the time, days or weeks, with the Nation watching and listening.

After all, it took us decades to get this far. And with all due respect to my colleagues who oppose the balanced budget amendment, I say, in the words of the old song, "we ain't gonna let nobody turn us round."

I feel sure I will be back in the Chamber before we finish on this amendment to speak again. But we have a great opportunity here. The amendment is the responsible thing to do. There may be efforts to distract us, and there are of course legitimate concerns as well, but let us keep our eyes on the ball. If you are for the balanced budget amendment, you should vote for the balanced budget amendment, rather than finding excuses to oppose. There will not be any place to hide this time. The American people will know who is for it and who is against it when we take the vote in a few days.

Mr. President, in view of the fact there are others on the floor waiting to speak, I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. I thank the Chair.

(The remarks of Mr. JOHNSTON pertaining to the introduction of S. 333 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. KYL). The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. I thank the Chair. I thank the Senator from Mississippi for his graciousness. I guess because we are on the same side on this particular issue it makes it a little easier, and it is a delight to have a chance to work in a bipartisan fashion on behalf of the balanced budget amendment.

THE CONDITION OF AMERICA'S SCHOOLS

Ms. MOSELEY-BRAUN. Mr. President, I rise today to present the results of a very important study that has been conducted by the General Accounting Office on the condition of America's schools and to highlight the merits of the Education Infrastructure Act.

Mr. President, this report by the GAO, entitled "School Facilities—Condition of America's Schools," was issued yesterday, and I ask unanimous consent that the entire report by the GAO be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From the U.S. General Accounting Office]

SCHOOL FACILITIES—CONDITION OF AMERICA'S SCHOOLS

February 1, 1995.

Hon. Carol Moseley-Braun,
Hon. Edward M. Kennedy,
Hon. Claiborne Pell,
Hon. Paul Simon,
Hon. Paul Wellstone,
U.S. Senate.

The nation has invested hundreds of billions of dollars in school infrastructure to create an environment where children can be properly educated and prepared for the future. Almost exclusively a state and local responsibility, this infrastructure requires maintenance and capital investment. However, public concern is growing that while laws require children to attend school, some school buildings may be unsafe or even harmful to children's health. Recently, for example, a federal judge would not allow the schools in our nation's capital to open on time until thousands of life-threatening fire code violations were corrected. Similarly, noncompliance with asbestos requirements kept over 1000 New York City schools closed for the first 11 days of the 1993 school year. Although such situations may be well-publicized, little information exists documenting the extent to which the nation's schools may lack the appropriate facilities to educate their students.

Widely quoted studies[1] conducted in recent years report that school facilities are in poor condition. While these studies documented some problems and provided much anecdotal information, they had different methodological problems limiting their usefulness. Further, the Department of Education has not assessed the condition of the nation's school facilities since 1965. Accordingly, you requested that we conduct a study that could be used as a basis for determining the condition of the nation's school facilities.

In response to your request and subsequent discussions with your office, this report presents national information on (1) the amount of funding that the nation's public elementary and secondary schools report needing to improve inadequate facilities and (2) the

[1] Footnotes at end of article.

overall physical condition and prevalence of schools that need major repairs. Another report is forthcoming shortly that will report the location of and other demographic analyses for schools that need major repairs. These reports are the first in a series responding to your request.[2]

RESULTS IN BRIEF

Based on estimates by school officials in a national sample of schools, we project that the nation's schools need about $112 billion[3] to repair or upgrade America's multibillion[4] dollar investment in facilities to good overall condition.[5] Of this, $11 billion (10 percent) is needed over the next 3 years to comply with federal mandates that require schools to make all programs accessible to all students and to remove or correct hazardous substances such as asbestos, lead in water or paint, materials in underground storage tanks (UST), radon, or meet other requirements.

About two-thirds of America's schools reported that all buildings were in at least overall adequate condition, at most needing only some preventive maintenance or corrective repair. However, about 14 million students attend the remaining one-third of schools that reported needing extensive repair or replacement of one or more buildings.[6] These schools are distributed nationwide. Also, problems with major building features, such as plumbing, are widespread even among those schools reported in at least adequate condition. Almost 60 percent of America's schools reported at least one major building feature in disrepair, needing to be extensively repaired, overhauled, or replaced. Most of these schools had multiple problems. In addition, about half reported at least one unsatisfactory environmental condition in their schools, such as poor ventilation, heating or lighting problems, or poor physical security. Most of these schools also had multiple unsatisfactory environmental conditions. Some district officials we spoke to told us that a major factor in the declining physical condition of the nation's schools has been decisions by school districts to defer vital maintenance and repair expenditures from year to year due to lack of funds.

BACKGROUND

Elementary and secondary education, the nation's largest public enterprise, is conducted in over 80,000 schools in about 15,000 districts. America's public schools serve over 42 million students. About 70 percent of schools serve 27 million elementary students; 24 percent serve 13.8 million secondary students; and 6 percent serve 1.2 million students in combined elementary and secondary and other schools.

America's traditional one-room school houses have been replaced by larger facilities that may have more than one building. Comprising classroom, administrative, and other areas like gymnasiums and auditoriums, a school may have an original building, any number of permanent additions to that building, and a variety of temporary buildings—each constructed at different times. Buildings that have been well maintained and renovated at periodic intervals have a useful life equivalent to a new building.

A number of state courts as well as the Congress have recognized that a high-quality learning environment is essential to educating the nation's children. Crucial to establishing that learning environment is that children attend school in decent facilities. "Decent facilities" was specifically defined by one court as those that are "* * * structurally safe, contain fire safety measures, sufficient exits, an adequate and safe water supply, an adequate sewage disposal system, sufficient and sanitary toilet facilities and plumbing fixtures, adequate storage, adequate light, be in good repair and attractively painted as well as contain acoustics for noise control. * * *"[7] More recently, the Congress passed the Education Infrastructure Act of 1984,[8] in which it stated that "improving the quality of public elementary and secondary schools will help our Nation meet the National Education Goals."[9] Despite these efforts, studies and media reports on school facilities since 1965 indicate that many public elementary and secondary schools are in substandard condition and need major repairs due to leaking roofs, plumbing problems, inadequate heating systems, or other system failures.

Although localities generally finance construction and repair, with states playing a variety of roles,[10] federal programs have monies to help localities offset the impact of federal activities, such as Impact Aid,[11] improving accessibility for the disabled, and managing hazardous materials. However, these programs do not totally offset all costs. For example, prior GAO work found that federal assistance provided for asbestos management under the Asbestos School Hazard Abatement Act of 1984 did not meet the needs of all affected schools. From 1988 through 1991, the Environmental Protection Agency (EPA) received 1,746 qualified applications totaling $599 million but only awarded $157 million to 586 school districts it considered to have the worst asbestos problems. EPA was aware of the shortfall in federal assistance but believed that state and local governments should bear these costs.[12]

Because of the perception that federal programs—as well as current state and local financing mechanisms—did not begin to address the serious facilities needs of many of America's schools, the Congress passed the Education Infrastructure Act of 1994. The Congress then appropriated $100 million for grants to schools for repair, renovation, alteration, or construction.

SCOPE AND METHODOLOGY

To determine the amount of funding needed to improve inadequate facilities and the overall physical condition and prevalence of schools that need major repairs, we surveyed a national sample of schools and augmented the survey with visits to selected school districts. We used various experts to advise us on the design and analysis of this project. (See app. III for a list of advisers.)

We sent the survey to a nationally representative stratified random sample of about 10,000 schools in over 5,000 school districts. The sample was designed for the Department of Education's 1994 Schools and Staffing Survey (SASS), which is sponsored by the National Center for Educational Statistics.

We asked about (1) the physical condition of buildings and major building features, such as roofs; framing, floors, and foundations; exterior walls and interior finishes; plumbing; heating, ventilation, and air conditioning (HVAC); and electric power; (2) the status of environmental conditions, such as lighting, heating, and ventilation; (3) the amount districts and schools had spent in the last 3 years or plan to spend in the next 3 years due to federal mandates that require managing or correcting hazardous materials problems and providing access to all programs for all students; and (4) an estimate of the total cost of needed repairs, renovations, and modernizations to put all buildings in good overall condition. (See app. IV for a copy of the questionnaire.)

We directed the survey to those officials who are most knowledgeable about facilities—such as facilities directors and other central office administrators of the districts that housed our sampled school buildings. Our analyses are based on responses from 78 percent of the schools sampled. Analyses of non-respondent characteristics showed them to be similar to respondents. Findings from the survey have been statistically adjusted (weighted) to produce nationally representative estimates. All of the data are self-reported, and we did not independently verify their accuracy. See the forthcoming report on location and demographic analyses of schools in need of major repair for a detailed description of our data collection methods and analysis techniques, confidence intervals and the like.

In addition, we visited 41 schools in 10 selected school districts varying in location, size, and minority composition. During these visits, we observed facility conditions and interviewed district and local school officials to obtain information on facilities assessment, maintenance programs, resources, and barriers encountered in reaching facility goals. (See app. I for profiles on the districts visited.)

We conducted this study from April 1994 to December 1994 in accordance with generally accepted government auditing standards.

PRINCIPAL FINDINGS

Schools Report Needing Billions to Improve Facilities

On the basis of our survey results, we estimate that the nation's schools need $112 billion to complete all repairs, renovations, and modernizations required to restore facilities to good overall condition and to comply with federal mandates. (See fig. 1.) This amount includes $65 billion—about $2.8 million per school—needed by one-third of schools for which one or more entire building needs major repairs or replacement. Another 40 percent of schools (those in adequate or better condition) reported needing $36 billion—$1.2 million per school—to repair or replace one or more building features,[13] such as the plumbing or roof or to make other corrective repairs.

[Figure 1 not reproduced in the RECORD.]

Almost two-thirds of the schools reported needing $11 billion—an average of $.2 million per school—to comply with Federal mandates over the next 3 years. Of this amount, about $6 billion (55 percent) is needed by schools to make programs accessible to all students while about $5 billion (45 percent) is needed to correct or remove hazardous substances such as asbestos, lead in water or paint, materials contained in USTs, radon, or meet other requirements.

This $11 billion is in addition to the $3.8 billion reported spent by three-quarters of all schools in the last 3 years to comply with Federal mandates. Of the money schools reported that they spent to comply with Federal mandates, $2.3 billion (60 percent) went to correct or remove hazardous substances—primarily asbestos—while $1.5 billion (40 percent) to make all programs accessible to all students.

[Figure 2 not reproduced in the RECORD.]

District officials we spoke with reported that they must also comply with many State and local mandates. For example, one urban district reported how Federal, State, and local regulations govern many of the same areas such as hazardous materials management and some aspects of indoor air quality. In addition, officials cited numerous State health and sanitation codes, State safety inspections for building features, as well as

city zoning ordinances, local building codes, and historic preservation regulations. By 1992, the enormity of the requirements as well as decades of capital needs underfunding have resulted in only the 2 newest of their 123 schools complying with all current codes.

The district further described how these regulations and the accompanying cost could apply to the installation of air conditioning. For example, air conditioning could be installed in a building for $500,000. However, this may also require an additional $100,000 in fire alarm/smoke detection and emergency lighting systems as well as $250,000 in architectural modifications for code compliance. Additionally, the location of outside chillers may be regulated by zoning and historic preservation ordinances.

In our visits to selected districts, officials from major urban areas reported needing billions to put their schools into good overall condition. (See table 1.)

TABLE 1.—MAJOR URBAN SCHOOL DISTRICTS REPORT NEEDING BILLIONS TO BRING SCHOOLS INTO GOOD OVERALL CONDITION

[Dollars in billions]

Urban school district	Amount needed
New York City	$7.8
Chicago	2.9
Washington, DC	0.5
New Orleans	0.5

Two-Thirds of Schools Adequate but Millions of Students Must Attend Other One-Third

School officials reported that two-thirds of the Nation's schools are in adequate (or better) condition, at most needing only some preventive maintenance or corrective repair. However, about 14 million students must attend the remaining one-third (25,000 schools), in which at least one building is in need of extensive repair or replacement. Even more students, 28 million, attend schools nationwide that need one or more building feature extensively repaired, overhauled, or replaced or that contain an environmentally unsatisfactory condition,[14] such as poor ventilation. (See tables 2 and 3.) These schools are distributed nationwide.

TABLE 2.—MILLIONS OF STUDENTS ATTEND SCHOOLS WITH LESS-THAN-ADEQUATE PHYSICAL CONDITIONS

Building feature	Number of schools	Estimate of students affected
Roofs	21,100	11,916,000
Framing, floors, foundations	13,900	7,247,000
Exterior walls, finishes, windows, doors	20,500	11,524,000
Interior finishes, trims	18,600	10,408,000
Plumbing	23,100	12,254,000
Heating, ventilation, air conditioning	28,100	15,456,000
Electrical power	20,500	11,033,000
Electrical lighting	19,500	10,837,000
Life safety codes	14,500	7,630,000

Note. See appendix IV for survey question.

Ranges for building or building feature condition were excellent, good, adequate, fair, poor, or replace. A building or building feature was considered in less-than-adequate condition if fair, poor, or replace was indicated.

TABLE 3.—MILLIONS OF STUDENTS ATTEND SCHOOLS WITH UNSATISFACTORY ENVIRONMENTAL CONDITIONS

Environmental condition	Number of schools	Number of students affected
Lighting	12,200	6,682,000
Heating	15,000	7,888,000
Ventilation	21,100	11,559,000
Indoor air quality	15,000	8,353,000
Acoustics for noise control	21,900	11,044,000
Physical security	18,900	10,638,000

Note. See appendix IV for survey question.

Physical Condition

Specifically, about one-third of both elementary and secondary schools reported at least one entire building—original, addition, or temporary—in need of extensive repairs or replacement. About 60 percent (including some schools in adequate condition) reported that at least one building feature needed extensive repair, overhauling, or replacement; and three-quarters of those schools needed multiple features repaired. Features most frequently reported in need of such repairs were HVAC; plumbing; roofs; exterior walls, finishes, windows, and doors; electrical power; electrical lighting; and interior finishes and trims. (See fig. 4 and pictures in app. II.) Further, while 41 percent of all schools reported unsatisfactory energy efficiency, 73 percent of those schools with exterior walls, windows, and doors and 64 percent of those with roofs in need of major repair reported unsatisfactory energy efficiency. These unrepaired features not only reduce energy efficiency but may also have an adverse environmental effect on students.

As one Chicago elementary school principal told us, "Heat escapes through holes in the roof; the windows leak (the ones that are not boarded up) and let in cold air in the winter so that children must wear coats to class."

In New Orleans, the damage from Formosan termites has deteriorated the structure of many schools. In one elementary school, they even ate the books on the library shelves as well as the shelves themselves. (See app. II.) This, in combination with a leaking roof and rusted window wall, caused so much damage that a large portion of the 30-year-old school has been condemned. The whole school is projected to be closed in 1 year.

At a Montgomery County, Alabama, elementary school, a ceiling weakened by leaking water collapsed 40 minutes after the children left for the day.

Water damage from an old (original) boiler steam heating system at a 60-year-old junior high school in Washington, D.C., has caused such wall deterioration that an entire wing has been condemned and locked off from use. Steam damage is also causing lead-based wall paint to peel.

Raw sewage backs up on the front lawn of a Montgomery County, Alabama, junior high due to defective plumbing.

A New York City high school built around the turn of the century has served as a stable, fire house, factory, and office building. The school is overcrowded with 580 students, far exceeding the building's 400 student capacity. The building has little ventilation (no vents or blowers), despite many inside classrooms, and the windows cannot be opened, which makes the school unbearably hot in the summer. In the winter, heating depends on a fireman's stoking the coal furnace by hand.

In Ramona, California, where overcrowding is considered a problem, one elementary school is comprised entirely of portable buildings. It had neither a cafeteria nor auditorium and used a single relocatable room as a library, computer lab, music room, and art room.

Last year, during a windstorm in Raymond, Washington, the original windows of an elementary school built in 1925 were blown out, leaving shards of glass stuck in the floor. The children happened to be at the other end of the room. This wooden school is considered a fire hazard, and although hallways and staircases can act as chimneys for smoke and fire, there is only one external exit on the second floor.

In rural Grandview, Washington, overcrowded facilities are a problem. At one middle school, the original building was meant to house 450 students. Two additions and three portables have been added to accommodate 700 students. The school has seven staggered lunch periods. The portables have no lockers nor bathrooms and are cold in the winter and hot in the spring/summer.

In a high school in Chicago, the classroom floors are in terrible condition. Not only are floors buckling, so much tile is loose that students cannot walk in all parts of the school. The stairs are in poor condition and have been cited for safety violations. An outside door has been chained for 3 years to prevent students from falling on broken outside steps. Peeling paint has been cited as a fire hazard. Heating problems result in some rooms having no heat while other rooms are too warm. Leaks in the science lab caused by plumbing problems prevent the classes from doing experiments. Guards patrol the outside doors, and all students and visitors must walk through metal detectors before entering the school.

During our school visits, we found wide disparities between schools in the best or even average condition and schools in the worst condition, and these schools were sometimes in the same district.

Environmental Conditions

About 50 percent of the schools reported at least one unsatisfactory environmental condition; while 33 percent reported multiple unsatisfactory conditions. Of those, half reported four to six unsatisfactory conditions. Those conditions most frequently reported to be unsatisfactory were acoustics for noise control, ventilation, and physical security. (See fig. 5.) Additionally, three-quarters of schools responding had already spent funds during the last 3 years on requirements to remove or correct hazardous substances such as asbestos (57 percent), lead in water or paint (25 percent), materials in USTs such as fuel oil (17 percent), radon (18 percent), or other requirements (9 percent). Still two-thirds must spend funds in the next 3 years to comply with these same requirements—asbestos (45 percent), lead (18 percent), UST (12 percent), radon (12 percent), or other requirements (8 percent).

We saw numerous examples of unsatisfactory environmental conditions during our school visits:

In the Pomona, California, school district, the student body has increased 37 percent over the last 10 years. Some schools must have five staggered lunch periods to accommodate all students. As a result of overcrowding, in one elementary school, students are housed in temporary buildings installed in 1948 that are unattractive, termite ridden, dark, and underequipped with electrical outlets. The temporary buildings get very hot as well as very cold at times because of poor insulation.

A Raymond, Washington, high school—a three-story structure with walls of unreinforced concrete with roof and floor not adequately secured to the walls that may not withstand earthquakes—contains steam pipes that are not only extremely noisy but provide too little or too much heat from room to room.

In Richmond, Virginia, schools in the district close early in September and May because the heat combined with poor ventilation and no air conditioning creates health problems for students and teachers, especially those with asthma.

A Chicago elementary school, built in 1893 and not painted for many years, had walls

and ceilings with chipping and peeling lead-based paint, contains asbestos and has several boarded-up windows. Some rooms have inadequate lighting due to antiquated lighting fixtures that are no longer manufactured, so bulbs could not be replaced when burned out. One section of the school has been condemned due to structural problems. However, the auditorium and gym in this area are still used. The school was scheduled for closure in 1972 but remained open due to community opposition to the closure with promises of renovation by the district.

Insufficient Funds Contribute to Declining Physical Conditions

District officials we spoke to attributed the declining physical condition of America's schools primarily to insufficient funds, resulting in decisions to defer maintenance and repair[15] expenditures from year to year. This has a domino effect. Deferred maintenance speeds up the deterioration of buildings, and costs escalate accordingly, further eroding the nation's multibillion dollar investment in school facilities. For example, in many schools we visited, unrepaired leaking roofs caused wall and floor damage that now must also be repaired. New York school officials told us that, while a typical roof repair is $600, a full roof replacement costs $300,000, and painting and plastering 10 rooms on a top floor that has been damaged by water infiltration costs $67,500 plus $4,500 to replace damaged floor tiles. In other words, for every $1 not invested, the system falls another $620 behind. In addition, unrepaired roofs cause energy costs to increase as heat escapes through holes, further depleting already limited funds. Further, due to lack of routine maintenance in the Chicago district, many schools have not been painted since they were painted 20 years ago with lead-based paint.

In an elementary school in New York City, repair problems had not been addressed since the school was built 20 years ago. Problems that could have been addressed relatively inexpensively years ago have now caused major problems such as sewage leaking into the first grade classrooms, a leaking roof that is structurally unsound, and crumbling walls.

Similarly, in Chicago, we visited an elementary school whose roof, the principal told us, had needed replacement for 20 years. Because it had only been superficially patched, rather than replaced, the persistent water damage had caused floors to buckle and plaster on the walls and ceilings to crumble. It had also flooded parts of the electric wiring system. One teacher in this school would not turn on her lights during rainstorms for fear of electrical shock; in another classroom the public address system had been rendered unusable. Buckets had to be placed on the top floor of the school to catch the rain.

Some district officials we spoke with reported that they had difficulty raising money for needed repairs and renovation due to an anti-tax sentiment among voters resulting in the failure of bond issues as well as passage of property tax limitations. About one in three districts reported that they have had an average of two bond issues fail in the past 10 years. Further, school officials told us that often bond proceeds are far less than needed for repairs. For example, in Pomona, California, a $62.5 million bond issue was submitted to the voters after a survey indicated that the $200 million needed for repairs would be rejected. At the time of our survey, 6 percent of districts had a bond issue before the electorate. However, as one survey respondent commented, "the current public attitudes about the economy and education are generally so negative that passing a bond referendum is a fantasy." Other states have reduced school funding by passing property tax limitations. One survey respondent reported, "The state's contribution to local schools has dropped by 40 percent over the last few years * * *." According to another survey respondent, "This is a 1913 building which many of the taxpaying citizens feel was good enough for them * * * it is looked at as a monument in the community. Unless some form of outside funding is arranged, the citizens may never volunteer to replace this building since it will require raising their taxes."

Further, districts reported a lack of control over some spending priorities as they must fund a large portion of federal mandates for managing or correcting hazardous materials as well as making all programs accessible to all students. A recurring theme in comments from survey respondents was that "Unfunded federal and state mandates are one of the prime causes of lack of funds for replacing worn-out heating and cooling equipment, roofs, etc. * * *" Another survey respondent stated, "The ADA requirements were a major reason we had to replace two older schools. These costs, when added to other costs for renovations and modifications, resulted in overall costs for repairs, which exceeded the costs for new facilities." On the other hand, Chicago school officials told us that due to limited funds and the cost of installing one elevator being $150,000, very few schools are able to provide program access to all students.

In looking at the uses of bond proceeds in the districts, the average amount of the most recently passed bond issue was $7 million. While about 3 percent was provided for federal mandates, 54 percent was provided for school construction and 38 percent for repairing, renovating, and modernizing schools. The remaining 5 percent was spent for purchases of computers and telecommunications equipment.

Districts also said that they must sometimes divert funds initially planned for facilities maintenance and repair to purchase additional facilities due to overcrowding. This has resulted from both demographic and mandated changes. For example, additional funds were required for construction and purchase of portables due to large immigrant influxes as well as population shifts in districts or climbing enrollment due to overall population increases. Further, some mandated school programs, such as special education, require additional space for low pupil-teacher ratios.

One survey respondent described the competing demands on limited funds as follows: "Our school facilities are not energy efficient or wired for modern technology. Our floor tile is worn out and the furniture is in poor shape. Our taxpayers don't want to put any more in schools. Our teachers want better pay. Our students and parents want more programs and technology. HELP!!!"

Building Age—By Itself—Is Not Significant

While some studies cite building age as a major factor contributing to deteriorating conditions, older buildings often have a more sound infrastructure than newer buildings. Buildings built in the early years of this century—or before—frequently were built for a life span of 50 to 100 years while more modern buildings, particularly those built after 1970, were designed to have a life span of only 20 to 30 years. A study of English school facilities found that the schools built during the 1960s and 1970s were built quickly and cheaply and have caused continuing maintenance problems.[16] As one survey respondent commented, "the buildings in this district are approximately 20 years old, but the exterior siding was inferior from the beginning * * * it has deteriorated and ruptured extensively. * * *" A principal in Chicago stated about her 1970s building, "our most pressing problem is that the school is crumbling down around us * * *. From the beginning, this building has had serious roof problems. Water leaks throughout the building from the roof and from the walls. Pools of water collect in the floors of the classrooms. One wall has buckled and is held in place with a steel stake. The windows leak and let cold air in * * *." According to some school officials, the misperception about the age factor has been reinforced because older buildings are sometimes not maintained but allowed to deteriorate until replaced.

Three schools we visited in Chicago presented a good example of the difficulty of using age to define condition. All three were built between 1926 and 1930 and had the same design and basic structure. Today, their condition could not be more different. One school had been allowed to deteriorate (had received no renovation since the 1970s) until it reached a point where local school officials classified it as among those schools in the worst physical condition. The second school had received some recent renovation because of community complaints about its condition and was classified as a typical school for the school district. The third school had been well maintained throughout the years, and now school officials classified it as a school in the best physical condition. (See pictures contrasting the three schools in fig. 6.)

[Figure 6 not reproduced in Record.]

CONCLUSIONS

Two-thirds of America's schools report that they are in adequate (or better) overall condition. Still, many of these schools need to repair or replace one or more building feature, manage or correct hazardous materials, or make all programs accessible to all students. Other schools have more serious problems. About 14 million students are required to attend the remaining one-third of schools that have one or more entire buildings in less-than-adequate condition, needing extensive repair or replacement. These schools are distributed nationwide.

Our survey results indicate that to complete all repairs, renovations, or modernizations needed to put school buildings into good overall condition and comply with federal mandates would require a projected investment of $112 billion. Continuing to delay maintenance and repairs will defer some of these costs but will also lead to the need for greater expenditures as conditions deteriorate, further eroding the nation's multibillion dollar investment in school infrastructure. In addition, if maintenance continues to be deferred, a large proportion of schools that are in only adequate condition and need preventive maintenance or corrective repair will soon deteriorate to less-than-adequate condition.

As one survey respondent observed, "It is very difficult to get local communities to accept this burden (facilities construction/renovation). Our district, one of the wealthiest in the state, barely passed a bare bones budget to renovate. It must be a national crisis."

AGENCY COMMENTS

We spoke with Department of Education officials at the National Center for Educational Statistics who reviewed a draft of

this report and found the report well done and generally approved of the approach. In addition, staff from the Office of the Undersecretary provided us with technical comments that we incorporated into our report. They did not comment, however, on our methodology, reserving judgment for the detailed technical appendix in our forthcoming report.

Copies of this report are also being sent to appropriate House and Senate committees and all members, the Secretary of Education, and other interested parties.

If you have any questions about this report, please contact Eleanor L. Johnson, Assistant Director, who may be reached at (202) 512-7209. A list of major contributors to this report can be found in appendix VII.

Sincerely yours,

LINDA G. MORRA,
Director, Education and Employment Issues.

APPENDIX I

DISTRICT PROFILES

We visited 41 schools in 10 selected school districts that varied by location, size, and ethnic composition. During these visits, we observed facility conditions and interviewed district and local school officials to get information on facilities assessment, maintenance programs, resources, and barriers encountered in reaching facilities goals. We asked officials to show us examples of "best," "typical," and "worst" schools and verified the reliability of these designations with others. In some small districts, we visited all schools.

CHICAGO, ILLINOIS

Overview

TABLE I.1.—CHICAGO, ILLINOIS

Enrollment	400,000.
Number of schools	553.
Racial composition	56 percent black. 30 percent Hispanic. 14 percent other.
Students on free or reduced lunch	67 percent.
Type	Urban.
Minimum estimated to make all repairs[17].	2.9 billion.

Chicago is a large urban district whose school officials rated their school facilities, overall, as in fair to poor condition. Widespread disparities exist, however, between schools in the best and worst condition. About 15 percent of the schools were built before 1900, and over half are more than 50 years old. Slightly more than 25 percent were built during the fifties and sixties to handle the baby boom, and 20 percent were built during the last 25 years. However, a number of the newer structures are temporary buildings or "demountables" (large sections of prefabricated frames put together on a cement slab). These buildings now show major structural damage, and the seams of the buildings are splitting apart. Permanent buildings also have structural damage. For example, we visited two schools that had chained exit doors to prevent students from either being hit by debris from a cracking exterior brick wall—in a "typical" Chicago school—or falling on collapsing front steps—in a "worst" school.

Schools in the worst condition need new exterior building envelopes (roofs, tuck pointing, windows, and doors), have asbestos or lead-based paint, suffer ceiling and floor problems from leaky roofs, and need to replace outdated electrical and plumbing systems. Schools in the best condition tend to be newer, need few or no repairs, have a more flexible space design, contain electrical systems capable of housing new technology, have air conditioning, and offer brightly colored walls and low ceilings. However, condition does not depend on age alone; three schools we visited typifying best, worst, and typical were all over 60 years old.

Officials report that their biggest facility issues are deferred maintenance and overcrowding. They say that a shortage of funds, caused by a lack of taxpayer support, hinders the district from either upgrading or maintaining its facilities. About 30 to 40 percent of needed repairs have been deferred from year to year for decades with priority given to repairs that ensure student safety. Additionally, some federal mandates—particularly lead and asbestos removal abatement programs—have caused major expenditures as most schools built between 1920 and 1979 contain asbestos, and all schools were painted with lead paint before 1980.

Overcrowding began in the seventies with a great increase in the Hispanic population. However, in some instances, individual schools may be overcrowded, while neighboring schools remain underenrolled. One official told us that this is due in part to the problems caused by gang "turf" and the threat of extreme violence or even death to individuals who wander into "enemy" territory. School officials are reluctant to reassign students if the receiving schools are in territory controlled by a different gang than that of the overcrowded school the children presently attend.

Facilities Financing

Officials estimate that they need $2.9 billion to put schools in good overall condition. While the primary source of school funding is local property taxes, smaller amounts of state and federal funds are also used. Although the 1994 school facilities budget is $270 million (10 percent of the total education budget), only about $50 million is used for maintenance and repair. To obtain funds for building and renovating, the district relies on bonds, we were told, as politicians hesitate to ask anti-tax voters for even a minimal increase in taxes.

GRANDVIEW, WASHINGTON

Overview

TABLE I.2.—GRANDVIEW, WASHINGTON

Enrollment	2,800.
Number of schools	5.
Racial composition	67 percent Hispanic. 32 percent white. 1 percent other.
Students on free or reduced lunch	65 percent.
Type	Small town, rural.
Minimum estimated to make all repairs.	$24.5 million.

This small agricultural town in rural Washington has five schools. While the high school, built in 1978, is in excellent condition, the other four schools, built between 1936 and 1957, need to be totally renovated or replaced over the next 10–20 years. In addition, a student population increasing annually at about 4 percent since 1986 has resulted in overcrowding. Although Grandview's middle school was built to house 475 students, current enrollment stands at about 700. One elementary school designed for 375 students now has 464. Another crowded elementary school converted the gymnasium into two classrooms. The district currently has 14 portable classrooms in use and anticipates needing 4 more in the next 3 years.

Facilities Financing

Grandview schools have an annual budget of $13.5 million, about 2 percent of which goes for maintenance. They receive funding from local tax levies and from the state and general apportionment of about $4,000 per student. They are also eligible for state equalization funding contingent on passing their levy. New construction and renovation are funded by bond issues and state funding assistance contingent on passing the bond issue. An $11 million bond issue to build a new middle school to alleviate crowding failed in February 1994 and again in the fall of 1994.

Funding problems include public resistance to raising taxes and decreased state assistance due to a reduction in the timber sales on the public lands that support school construction funding.

MONTGOMERY COUNTY, ALABAMA

Overview

TABLE I.3.—MONTGOMERY COUNTY, ALABAMA

Enrollment	35,000.
Number of schools	54.
Racial composition	45 percent black. 55 percent white.
Students on free or reduced lunch	58 percent.
Type	Urban.
Minimum estimated to make all repairs.	$150 million.

Many of Montgomery County school facilities are old but are generally in fair condition. However, approximately 10 percent of the schools need to be replaced. In the last 20 years, about 8 schools were built. The oldest building is a portion of an elementary school built in 1904.

Schools built during the early 1900's are not air conditioned and need new roofs. At one elementary school we visited, a ceiling recently collapsed just 40 minutes after the children left for the day. Some schools have had students in "temporary" buildings for years. In addition, many repairs and renovations are needed to maintain schools, accommodate overcrowding and comply with federal mandates.

Overcrowding problems have resulted in the use of 284 portable buildings to house students. In the 1980's, Montgomery County's student population increased, creating the need for new elementary populations at some schools through voluntary student movement, through a minority to majority transfer process. This process allowed minority students to attend any school in the county with a more than 50-percent majority of white students. Primarily, we were told, minority students chose to attend schools on the east side of town because the school facilities were better equipped and nicer. To provide adequate instructional space for the influx of children at the east side schools, portable rooms were added.

Facilities Financing

Lack of money prohibits the district from making needed facilities repairs. The operations and maintenance budget has dropped 10 percent in the past 3 to 4 years. The current facilities budget is $1 million of a $6 million total education budget. The district has no capital improvement budget. On June 28, 1994, voters defeated a local tax referendum for bond money the county had planned to use to remove all portable buildings, make all needed repairs and renovations and build new schools located so that children from the west side of town would not have to travel so far for better school accommodations.

NEW ORLEANS, LOUISIANA

Overview

TABLE I.4.—NEW ORLEANS, LOUISIANA

Enrollment	85,000.
Number of schools	124.
Racial composition	90 percent black. 10 percent other.
Students on free or reduced lunch	85 percent.
Type	Urban.
Minimum estimated to make all repairs	$500 million.

New Orleans' public schools are rotting away. Suffering from years of neglect due to lack of funds for repair and maintenance, New Orleans students attend schools suffering from hundreds of millions of dollars' worth of uncorrected water and termite damage. Fire code violations are so numerous that school officials told us, "We don't count them—we weigh them."

Most of the buildings have no air conditioning, though the average morning relative humidity in New Orleans is 87 percent. One high school recently had an electrical fire that started in the 80-year-old timbers in the roof. No one was hurt but the students were sent to other buildings for the rest of the year. An elementary school, built in 1964, was condemned and closed in 1994 due to water and termite damage.

Facilities Financing

New Orleans uses local property taxes and federal asbestos loans to upgrade its buildings. The district has submitted five bond issues to the voters in the last 20 years, for a total of $175 million, but only two of the bond issues have passed. The school facilities annual budget in 1994 is $6 million or 2 percent of the total education budget. This has decreased in the past 10 years from $9 million (4 percent of the education budget).

NEW YORK, NEW YORK

Overview

TABLE I.5.—NEW YORK, NEW YORK

Enrollment	700,000.
Number of schools	1,229.
Racial composition	38 percent black. 36 percent Hispanic. 19 percent white. 7 percent Asian.
Students on free or reduced lunch	64 percent.
Type	Urban.
Minimum estimated to make all repairs	$7.8 billion.

New York has extremely diverse school facilities—while conditions are generally bad, some schools are models for 21st century learning. The "best" school we saw—a $151 million state-of-the-art science high school—was only blocks away from an example of the "worst"—another high school in a 100-year-old building that had served as a stable, fire house, factory, and office building. This high school's elevators do not work, its interior classrooms have no windows, it has little ventilation and no air conditioning, and its heating depends on a fireman's stoking the coal furnace by hand.

Overcrowding and generally poor condition of the school buildings—many over 100-years-old and in need of major renovation and repair—are New York's main facilities problems. Since the fiscal crisis in the 1970s, maintenance and repair of the city's school buildings have been largely neglected. Twenty years of neglect compound problems that could have been corrected much more cheaply had they been corrected earlier. As the city seeks the funds for repairing leaking roofs, plumbing problems that cause sewage to seep into elementary school classrooms, and ceilings that have caved in, its school enrollment is dramatically increasing. After losing more than 10 percent of its population in the sixties, a vast migration of non-English speaking residents in the last 3 years has resulted in overcrowding in 50 percent of New York's schools. One school is operating at over 250 percent of capacity. Because classrooms are unavailable while under repair, in some cases improvements are postponed.

Facilities Financing

The New York City schools' maintenance, repair, and capital improvement budget is approved annually by the city council. While the state provides some loan forgiveness, the city is largely responsible for all of the costs.

Each school is allocated a maintenance and repair budget based solely on square footage. As a result, schools—even new schools—frequently cannot repair problems as they arise, which often leads to costly repairs in the future. In 1988, the estimated cost of upgrading, modernizing, and expanding the school system by the year 2000 was over $17 billion. The total capital backlog at that time was over $5 billion. The capital plan for fiscal year 1990 through fiscal year 1994 was funded at $4.3 billion: barely 20 percent of the amount requested.

POMONA, CALIFORNIA

Overview

TABLE I.6.—POMONA, CALIFORNIA

Enrollment	29,000.
Number of schools	35.
Racial composition	67 percent Hispanic. 13 percent black. 12 percent white. 8 percent Asian-Pacific.
Students on free or reduced lunch	70 percent.
Type	Suburban.
Minimum estimated to make all repairs.	$200 million.

Although district officials generally describe their school facilities overall as "adequate to fair," some individual schools are excellent while others have severe problems. The oldest school was built in 1932. The worst schools were built in the mid-1950s to early 1960s and face many repair problems—poor plumbing, ventilation, lighting, leaking roofs, and crumbling walls. In contrast, one new school that opened last fall is state-of-the art. Only three schools have been built in the last 20 years.

Like many school districts in California, Pomona's biggest facilities issue is overcrowding. Because the student body has increased 37 percent in the last 10 years, the district relies on what school officials call "God-awful" portables—bungalows that are ugly, not air conditioned, termite-ridden, dark, and have too few electrical outlets. The portables generally provide sufficient classroom space but leave schools suffering from a severe lack of common-use areas and space for student movement. For example, some schools have to schedule five lunch periods to handle overcrowded campuses.

Facilities Financing

In 1991 the district passed a $62.5 million bond measure—significantly short of the $200 million it says it needs to put its schools in good overall condition. Officials attribute their facilities' financial problems to state cutbacks, the passage of Proposition 13 in 1979, which greatly reduced local tax revenues, and unfunded federal mandates that drain the district's budget. As a result, the district must function without enough facilities staff and continue to defer maintenance and repair while using temporary "band-aid" measures. However, the passage of Pomona's 1991 bond measure and two 1992 state bond measures increased the district's capital improvement budget to $14 million or about 16 percent of the district's $85 million education budget. Pomona's maintenance and repair budget is usually about 2 percent of the education budget.

RAMONA, CALIFORNIA

Overview

TABLE I.7.—RAMONA, CALIFORNIA

Enrollment	6,500.
Number of schools	9.
Racial composition	78 percent white. 18 percent Hispanic. 4 percent other.
Students on free or reduced lunch	35 percent.
Type	Small town, rural.
Minimum estimated to make all repairs	$4 million.

Ramona is a small but growing rural community in central San Diego County. Four of its nine schools are more than 25 years old; its oldest was built over 50 years ago. Although Ramona's oldest schools tend to be well constructed, they suffer from seriously deteriorating wiring and plumbing and inadequate or nonexistent heating, ventilation, air conditioning, and communications systems. The school district also suffers from the lack of an adequate, stable funding source that would allow it to modernize and expand its facilities. Consequently, most of Ramona's schools are underbuilt and must rely on portables for overcrowding. One elementary school we visited was comprised of only portables, with no cafeteria nor auditorium. One portable served as a library, computer lab, music room, and art room. In contrast, two new schools were built in the last 5 years that are bright, have flexible space and are wired for the latest technology. The portables are difficult to maintain, and repair costs are higher in the long run than if real additions had been built in the first place. The most common repair needs in Ramona's schools are roofs, signal systems (alarms, bells, and intercoms), and paving.

Facilities Financing

Officials attribute its facilities' funding problems to the community's inability to pass a bond issue—two attempts in the past 8 years have failed—their small rural district's competitive disadvantage in applying for state funds, and the state's emphasis on building new schools rather than retrofitting.

The district's facilities budget varies each year but comprises (1) a new building program that uses matching state funds, (2) a routine maintenance budget that is about 2 percent of the district's $30 million education budget ($600,000), and (3) a deferred maintenance budget that is 0.5 percent of the education budget ($150,000) and is supposed to be matched by the state but rarely is in full.

RAYMOND, WASHINGTON

Overview

TABLE I.8.—RAYMOND, WASHINGTON

Enrollment	760.
Number of schools	3.
Racial composition	69 percent white. 21 percent Asian. 5 percent Hispanic. 5 percent Native American.
Students on free or reduced lunch	50 percent.
Type	Small town, rural.

TABLE I.8.—RAYMOND, WASHINGTON—Continued

Minimum estimated to make all repairs	$14 million.

Raymond is a western Washington town that has not recovered from the timber industry downturn of the early 1980s. The town and student populations have declined, and the demographics have changed dramatically. All three Raymond schools are old and two may be unsafe. The high school was built in 1925. It is a three-story structure of unreinforced concrete that may not safely withstand the possible earthquakes in the area. In addition, the buiding's systems are old and inadequate. Steam pipes are noisy and provide too little or too much heat from room to room. One 1924 elementary school is built of wood—a potential fire hazard—and will be closed in 2 years. A third school was built during the 1950s and will received a major remodeling and new addition next year.

Facilities Financing

Raymond recently passed its first bond issue since the 1950s to fund the remodeling of and addition for an elementary school. A bond issue proposed in 1990 to build a new facility for grades kindergarten to 12 failed. The public does not want to spend money on school maintenance and construction, and the tax base is too low to raise adequate funding. According to the school superintendent, the Columbia Tower (a Seattle skyscraper) has a higher assessed value than the entire district of Raymond. The district's budget is $4 million, which is made up of local levies and state funding. Over the next 2 years, they will ask for a levy increase of $75,000, specifically for needed repairs.

RICHMOND, VIRGINIA

Overview

TABLE I.9.—RICHMOND, VIRGINIA

Enrollment	28,000
Number of schools	58.
Racial composition	88 percent black.
	12 percent other.
Students on free or reduced lunch	68 percent
Type	Urban.
Minimum estimated to make all repairs.	$100 million.

Renovation presents the biggest facility issue for the Richmond schools. Their 58 buildings are visually appealing yet old-fashioned compared with 21st century learning standards. Many, if not most, of the district's renovation needs are due to the buildings' age: The average building was built around the time of World War II. Ninety percent of the buildings lack central air conditioning; many schools close early in September and May/June because the heat and poor ventilation creates breathing problems for the children.

In the past 20 years, 20 schools have been closed; only 2 new schools have opened.

Facilities Financing

Richmond is a poor city: the average family income is $17,700. The facilities director says he usually asks for $18 million but only gets $3 million and about 3 percent of the education budget for maintenance. He says city planners and voters view the buildings as architectural landmarks and think of them in terms of 1950s standards of learning. Also, the money he would have used for renovations has been spent on meeting "federal codes."

The district has tried twice to get the state to match funds for deferred maintenance but was rejected each time. New construction gets funded through bond issues.

WASHINGTON, DC

Overview

TABLE I.10.—WASHINGTON, DC

Enrollment	85,000.
Number of schools	164.
Racial composition	95 percent black.
	5 percent other.
Students on free or reduced lunch	62 percent.
Type	Urban.
Minimum estimated to make all repairs.	$460 million.

With a capacity of 140,000 students, many of Washington's school facilities are old and underused. Only 22 schools of 164—mainly elementary—have been built in the last 20 years. According to the district's facilities manager, the average age of Washington's schools is 50 years. While structurally sound, these older buildings house old—sometimes original—systems, such as the heating and air conditioning or electrical systems, which have major repair problems.

Washington schools have many urgent repair needs, according to the district facilities manager. Old boiler systems have steam leakages causing such infrastructure erosion that whole school wings have been condemned and cordoned off; leaky roofs are causing ceilings to crumble on teachers' and students' desks; fire doors are warped and stick. In addition, the district was under court order to fix the most serious of an estimated $90 million worth of fire code violations by the start of the 1994–95 school year. These violations included locked or blocked exit doors, defective or missing fire doors, broken alarms, malfunctioning boilers, and unsafe electrical systems. Many of the schools also lack air conditioning and are so poorly insulated that children must wear coats to keep warm in winter weather.

Facilities Financing

From the school district's total operating and capital budget of about $552 million in fiscal year 1994, about $100 million (18 percent) was allocated to school maintenance and capital improvement. Of this, approximately $25 million (including salaries) goes to the district's facilities office, with the balance given directly to the schools for their on-site maintenance and operations. The building maintenance budget has declined from about 18 percent to 14 percent of the total school budget in the past 10 years.

Funds for school maintenance and repair and capital improvements come from the District of Columbia's general budget, over which the Congress has authority. Until 1985, the District's capital improvement program was financed only through money borrowed from the U.S. Treasury. After 1985, the District was given authority to sell general obligation bonds in the capital markets. From 1985 through 1994, the schools received $314 million to finance capital improvements: $232 million through general obligation bond issuances, $59 million borrowed from the U.S. Treasury, and $23 million from District tax revenue.

[Appendix II not reproduced in the RECORD.]

APPENDIX III

PROJECT ADVISERS

The following individuals advised this report either by (a) serving on our expert panel on January 31, 1994; (b) helping with the development of our questionnaire; or (c) reviewing a draft report.

Allen C. Abend,[abc] Chief, School Facilities Branch, Maryland State Department of Education.

Phillip T. Chen,[b] Construction Technician, Division of Construction, Department of Facilities Management, Board of Education of Montgomery County (Maryland).

Greg Coleman,[ab] Capital Asset Management Administrator, Office of Infrastructure Support Services, U.S. Department of Energy.

Laurel Cornish,[a] Director of Facilities, U.S. Department of Education, Impact Aid, School Facilities Branch.

(Mr.) Vivian A. D'Souza,[b] Acting Director, Division of Maintenance, Department of Facilities Management, Board of Education of Montgomery County (Maryland).

Kenneth J. Ducote,[bc] Director, Department of Facility Planning, New Orleans Public Schools.

Robert Feild,[a] Director, Committee on Architecture for Education, American Institute of Architects.

William Fowler,[abc] Education Statistician, U.S. Department of Education, National Center for Education Statistics.

Lawrence Friedman,[bc] Associate Director, Regional Policy Information Center, North Central Regional Educational Laboratory.

Thomas E. Glass,[b] Professor, Department of Leadership and Educational Policy Studies, Northern Illinois University.

Terence C. Golden,[a] Chairman, Bailey Realty.

Thomas Grooms,[a] Program Manager, Federal Design Office, National Endowment for the Arts.

Shirley J. Hansen,[a] President, Hansen Associates.

Alton C. Halavin,[b] Assistant Superintendent for Facilities Services, Fairfax County Public Schools, Fairfax County, Virginia.

Bruce Hunter,[b] Executive Director, American Association of School Administrators.

Eddie L. King,[b] Auditor, Inspector General, Department of Education.

Andrew Lemer,[a] President Matrix Group, Inc.

William H. McAfee III,[b] Facilities Manager, Division of Facilities Management, District of Columbia Public Schools.

Roger Scott,[bc] Program Director, Southwest Regional Laboratory.

Richard L. Siegel,[a] (Former) Director of Facilities Services, Smithsonian Institution.

Lisa J. Walker,[a] Executive Director, Education Writers Association.

Tony J. Wall,[b,c] Executive Director/CEO, The Council of Educational Facilities Planners International.

William M. Wilder,[b] Director, Department of Facilities Management, Board of Education of Montgomery County (Maryland).

APPENDIX IV

GAO QUESTIONNAIRE FOR LOCAL EDUCATION AGENCIES

DEAR SURVEY RESPONDENT: The U.S. General Accounting Office (GAO) has been asked by the United States Congress to obtain information about school facilities, such as physical condition and capacity. While several limited studies have been done recently, no comprehensive national study of school facilities has been done in 30 years.

The Congress needs this information to shape the details of federal policy, such as funding for the School Infrastructure Act of 1994. All responses are confidential. We will report your data only in statistical summaries so that individuals cannot be identified.

This questionnaire should be answered by district level personnel who are very familiar with the school facilities in this district. You may wish to consult with other district level personnel or with school level personnel, such as principals, in answering some questions.

We are conducting this study with only a sample of randomly selected schools, so the data on your school(s) is very important because it represents many other schools. Please respond even if the schools selected are new. If you have questions about the survey, please call Ms. Ella Cleveland (202) 512–7066 or Ms. Edna Saltzman (313) 256–8109.

Mail your completed questionnaire in the enclosed envelope within 2 weeks to: Ms. Ella Cleveland, U.S. General Accounting Office, NGB, Suite 650, 441 G St., NW, Washington, DC 20548.

Thank you for your cooperation in this very important effort.

Sincerly yours,

LINDA G. MORRA,
Director, Education and Employment.

SECTION I.—DISTRICT INFORMATION

1. What would probably be the total cost of all repairs/renovations/modernizations required to put all of this district's schools in good overall condition? Give your best estimate. If all of this district's schools are already in good (or better) overall condition, enter zero.

Overall condition includes both physical condition and the ability of the schools to meet the functional requirements of instructional programs. Good condition means that only routine maintenance or minor repair is required.

$_____.00

2. On which of the sources listed below is this estimate based? Circle ALL that apply.

Does not apply—all schools already in good (or better) overall condition	0
Sources	
Facilities inspection(s)/assessment(s) performed within the last three years by licensed professionals	1
Repair/renovation/modernization work already being performed and/or contracted for	2
Capital improvement/facilities master plan or schedule	3
My best professional judgment	4
Opinions of other district administrators	5
Other (specify: _____)	6

3. During the last 3 years, how much money has been spent in this district on the federal mandates listed below? Include money spent in 1993–1994. If exact amounts are not readily available, give your best estimate. Enter zero if none. Circle "1" if spending was not needed.

Federal mandates	Spending not needed	Amount spent
Accessibility for student with disabilities	1	$_____.00
Managing/correcting:		
Asbestos	1	$_____.00
Lead in water/paint	1	$_____.00
Underground storage tanks (USTs)	1	$_____.00
Radon	1	$_____.00
Other (specify: _____)	1	$_____.00

4. How much money will probably need to be spent in this district during the next 3 years on these federal mandates? If exact amounts are not readily available, give your best estimate. If spending will not be needed, circle "1." If unknown, circle "2."

Federal mandates	Spending will not be needed	Amount unknown	Probably needed
Accessibility for students with disabilities	1	2	$_____.00
Managing/correcting:			
Asbestos	1	2	$_____.00
Lead in water/paint	1	2	$_____.00
Underground storage tanks (USTs)	1	2	$_____.00
Radon	1	2	$_____.00
Other (specify: _____)	1	2	$_____.00

5. Are these spending needs for federal mandates included in your answer to question 1? Circle one for each mandate listed.

Federal mandates	Does not apply—not needed/unknown	Yes—included	No—not included
Accessibility for students with disabilities	1	2	3
Managing/correcting:			
Asbestos	1	2	3
Lead in water/paint	1	2	3
Underground storage tanks (USTs)	1	2	3
Radon	1	2	3
Other (specify: _____)	1	2	3

6. In what year was a bond issue most recently passed for this district? Enter the last two digits of the year.

19____.

7. What was the total amount of this most recently passed bond issue?

$_____.00

8. How much money did this most recently passed bond issue provide for the items listed below? Enter zero if none.

Items	*Amount Provided*
Construction of new schools	$_____.00
Repair/renovation/modernization of existing schools	$_____.00
Asbestos removal	$_____.00
Removal of Underground Storage Tank (USTs)	$_____.00
Removal of other environmental conditions	$_____.00
Purchase of computers	$_____.00
Purchase of telecommunications equipment	$_____.00
Access for students with disabilities	$_____.00

9. During the last 10 years, how many bond issues have failed to pass?

_____ bond issues failed to pass

10. Do you currently have a bond issue before the electorate? Circle one.

Yes.....1
No.....2

SECTION II.—SCHOOL INFORMATION

This section asks about the first school shown on the Instruction Sheet enclosed with this survey.

1. Name of school: Please enter the name of the first school shown on the Instruction Sheet.

School's survey identification number: Please enter the survey identification number of the first school shown on the instruction sheet.

2. If any of the following statements are true for this school, please circle the number of the appropriate answer. Circle all that apply.

This school teaches only postsecondary (beyond grade 12) or adult education students	1
This school is no longer in operation	2
This school is a private school, not a public school	3
This institution or organization is not a school	4

3. Which of the following grades did this school offer around the first of October, 1993: Circle all that apply.

Grade 1	1
Grade 2	2
Grade 3	3
Grade 4	4
Grade 5	5
Grade 6	6
Grade 7	7
Grade 8	8
Grade 9	9
Grade 10	10
Grade 11	11
Grade 12	12
Pre-kindergarten	13
Ungraded (including upgraded special education students)	15

Stop! If you marked any of the above statements go to the next school information section.

4. What was the total number of Full Time Equivalent (FTE) students enrolled in this school around the first of October 1993?

_____
total FTE students

5. Does this school house any of its students in instructional facilities located off of its site, such as rented space in another school, church, etc.? Circle one.

Yes...1
No...2----> go to question 8

6. How many of this school's Full Time Equivalent (FTE) students are housed in off-site instructional facilities?

_____FTE students housed off-site

7. How many total square feet of off-site instructional facilities does this school have? If exact measurements are not readily available, give your best estimate.

_____total square feet off-site

8. How many original buildings, attached and/or detached permanent additions to the original buildings, and temporary buildings does this school have on-site? If this school does not have any permanent additions or any temporary buildings on-site, enter zero for these categories.

On-Site Buildings—Number
Original buildings—_____
Attached and/or detached permanent additions to original buildings—_____
Temporary buildings—_____

9. How many total square feet do the original buildings, the attached and/or detached permanent additions, and the temporary buildings have? If exact measurements are not readily available, give your best estimate. If this school does not have any permanent additions or any temporary buildings on-site, enter zero for these categories.

On-Site Buildings—Total Square Feet
Original buildings—_____
Attached and/or detached permanent additions to original buildings—_____
Temporary buildings—_____

10. What is the overall condition of the original buildings, the attached and/or detached permanent additions, and the temporary buildings? Refer to the rating scale shown below, and circle one for each category of building. If this school does not have any permanent additions or any temporary buildings onsite, circle "0."

Overall condition includes both physical condition and the ability of the buildings to meet the functional requirements of instructional programs.

Rating Scale

Excellent: new or easily restorable to "like new" condition; only minimal routine maintenance required.

Good: only routine maintenance or minor repair required.

Adequate: some preventive maintenance and/or corrective repair required.

Fair: fails to meet code and functional requirement in some cases; failure(s) are inconvenient; extensive corrective maintenance and repair required.

Poor: consistent substandard performance; failure(s) and disruptive and costly; fails

most code and functional requirements; requires constant attention, renovation, or replacement. Major corrective repair or overhaul required.

Replace: Non-operational or significantly substantial performance. Replacement required.

On-site buildings	School does not have	Excellent	Good	Adequate	Fair	Poor	Replace
Original buildings	N/A	1	2	3	4	5	6
Attached and/or detached permanent additions to original buildings	0	1	2	3	4	5	6
Temporary buildings	0	1	2	3	4	5	6

11. What would probably be the total cost of all repairs/renovations/modernizations required to put this school's on-site buildings in good overall condition? Give your best estimate. If this school's on-site buildings are already in good (or better) overall condition, enter zero.

$_____.00

12. On which of the sources listed below is this estimate based? Circle ALL that apply.

Does not apply—already in good (or better) overall condition 0

Sources

Facilities inspection(s)/assessments(s) performed within the last three years by licensed professionals 1

Repair/renovation/modernization work already being performed and/or contracted for 2

Capital improvement/facilities master plan or schedule 3

My best professional judgment 4

Opinions of other district administrators 5

Other (specify: _____) 6

13. During the last 3 years, how much money has been spent on the federal mandates listed below for this school's on-site buildings? Include money spent in 1993–1994. If exact amounts are not readily available, give your best estimate. Enter zero if none. Circle "1" if spending was not needed.

Federal mandates—spending not needed

Amount spent

Accessibility for students with disabilities—1 ..... $_____.00

Managing/correcting:

Asbestos—1 ..... $_____.00

Lead in water/paint—1 ..... $_____.00

Underground storage tanks (USTs)—1 ..... $_____.00

Radon—1 ..... $_____.00

Other (specify: ____)—1 ..... $_____.00

14. How much money will probably need to be spent during the next 3 years on these federal mandates for this school's on-site buildings? If exact amounts are not readily available, give your best estimate. If spending will not be needed, circle "1." If unknown, circle "2."

Federal mandates	Spending will not be needed	Unknown	Amount probably needed
Accessibility for students with disabilities	1	2	$_____.00
Managing/correcting:			
Asbestos	1	2	$_____.00
Lead in water/paint	1	2	$_____.00
Underground storage tanks (USTs)	1	2	$_____.00
Radon	1	2	$_____.00
Other (specify: _____)	1	2	$_____.00

15. Are these spending needs for federal mandates included in your answer to question 11? Circle one for each mandate listed.

Federal mandates	Does not apply—Not needed/unknown	Yes—Included	No—Not included
Accessibility for students with disabilities	1	2	3
Managing/correcting:			
Asbestos	1	2	3
Lead in water/paint	1	2	3
Underground storage tanks (USTs)	1	2	3
Radon	1	2	3
Other (specify: _____)			

16. Overall, what is the physical condition of each of the building features listed below for this school's on-site buildings? Refer to the rating scale shown below, and circle one for each building feature listed.

Rating Scale

Excellent: new or easily restorable to "like new" condition; only minimal routine maintenance required.

Good: only routine maintenance or minor repair required.

Adequate: some preventive maintenance and/or corrective repair required.

Fair: fails to meet code or functional requirement in some cases; failure(s) are inconvenient; extensive corrective maintenance and repair required.

Poor: consistent substandard performance; failure(s) are disruptive and costly; fails most code and functional requirements; requires constant attention, renovation, or replacement. Major corrective repair or overhaul required.

Replace: Non-operational or significantly substandard performance. Replacement required.

Building feature	Excellent	Good	Adequate	Fair	Poor	Replace
Roofs	1	2	3	4	5	6
Framing, floors, foundations	1	2	3	4	5	6
Exterior walls finishes, windows, doors	1	2	3	4	5	6
Interior finishes, trims	1	2	3	4	5	6
Plumbing	1	2	3	4	5	6
Heating, ventilation, air conditioning	1	2	3	4	5	6
Electrical power	1	2	3	4	5	6
Electrical lighting	1	2	3	4	5	6
Life safety codes	1	2	3	4	5	6

17. Do this school's on-site buildings have sufficient capability in each of the communications technology elements listed below to meet the functional requirements of modern educational technology? Circle one for each element listed.

Technology elements	Very sufficient	Moderately sufficient	Somewhat sufficient	Not sufficient
Computers for instructional use	1	2	3	4
Computer printers for instructional use	1	2	3	4
Computer networks for instructional use	1	2	3	4
Modems	1	2	3	4
Telephone lines for modems	1	2	3	4
Telephones in instructional areas	1	2	3	4
Television sets	1	2	3	4
Laser disk players/VCRS	1	2	3	4
Conduits/raceways for computer/computer network cables	1	2	3	4
Fiber optic cable	1	2	3	4
Electrical wiring for computers/communications technology	1	2	3	4
Electrical power for computers/communications technology	1	2	3	4

18. How many computers for instructional use does this school have? Include computers at both on-site buildings and off-site instructional facilities.

_____ computers for instructional use

19. How well do this school's on-site buildings meet the functional requirement of the activities listed below? Circle one for each activity listed.

Activity	Very well	Moderately well	Somewhat well	Not well at all
Small group instruction	1	2	3	4
Large group (50 or more students) instruction	1	2	3	4
Storage of alternative student assessment materials	1	2	3	4
Display of alternative student assessment materials	1	2	3	4
Parent support activities, such as tutoring, planning, making materials, etc.	1	2	3	4
Social/Health Care Services	1	2	3	4
Teachers' planning	1	2	3	4
Private areas for student counseling and testing	1	2	3	4
Laboratory science	1	2	3	4
Library/Media Center	1	2	3	4
Day care	1	2	3	4
Before/after school care	1	2	3	4

20. How satisfactory or unsatisfactory is each of the following environmental factors in this school's on-site buildings? Circle one for each factor listed.

Environmental factor	Very satisfactory	Satisfactory	Unsatisfactory	Very unsatisfactory
Lighting	1	2	3	4
Heating	1	2	3	4
Ventilation	1	2	3	4
Indoor air quality	1	2	3	4
Acoustics for noise control	1	2	3	4
Flexibility of instructional space (e.g., expandability, convertability, adaptability)	1	2	3	4
Energy efficiency	1	2	3	4
Physical security of buildings	1	2	3	4

21. Does this school have air conditioning in classrooms, administrative offices, and/or other areas? Circle ALL that apply.

Yes, in classrooms 1

Yes, In administrative offices 2

Yes, in other areas 3

No, no air conditioning in this school at all 4 (go to question 23)

22. How satisfactory or unsatisfactory is the air conditioning in classrooms, administrative offices, and/or other areas? Circle one for each category listed.

	Very satisfactory	Satisfactory	Unsatisfactory	Very unsatisfactory
Air conditioning in:				
Classrooms	1	2	3	4
Administrative offices	1	2	3	4
Other areas	1	2	3	4

23. Does this school participate in the National School Lunch Program? Circle one.

Yes 1

No 2

24. Regardless of whether this school participates in the National School Lunch Program, around the first of October, 1993, were any students in this school eligible for the program? Circle one.

Yes 1

No ..... 2 (go to question 27)

Don't know ..... 3 (go to question 27)

25. Around the first of October, 1993, how many applicants in this school were approved for the National School Lunch Program? Enter zero if none.

_____ applicants approved

26. Around the first of October, 1993, how many students in this school received free or reduced lunches through the National School Lunch Program? Enter zero if none.

_____ recipients

27. How many students in this school were absent on the most recent school day? If none were absent, please enter zero.

_____ students absent

28. What type of school is this? Circle one.

Regular elementary or secondary 1

Elementary or secondary with special program emphasis—for example, science/math school, performing arts high school, talented/gifted school, foreign language immersion school, etc. 2
Special education—primarily serves students with disabilities 3
Vocational/technical—primarily serves students being trained for occupations 4
Alternative—offers a curriculum designed to provide alternative or nontraditional education; does not specifically fall into the categories of regular, special education, or vocational school 5

29. Does this school offer a magnet program? Circle one.

Yes 1
No 2

If this is the last school listed on your instruction sheet, please go directly to the last page of this questionnaire.

COMMENTS

Do you have any comments you would like to make about school facilities? Circle one.

Yes 1—Please use the space below.
No 2

APPENDIX V

DATA POINTS FOR REPORT FIGURES

Tables in this appendix provide data for the figures in the report.

TABLE V.1.—DATA FOR FIGURE 1: SCHOOL OFFICIALS REPORT BILLIONS NEEDED FOR REPAIRS AND TO COMPLY WITH FEDERAL MANDATES IN THE NEXT 3 YEARS

Amount needed to	All schools
Make all repairs required to put schools in good overall condition	$101,200,000,000
Provide accessibility for disabled students	5,183,407,780
Manage/correct asbestos	2,395,445,006
Manage/correct lead in water and paint	386,647,141
Manage/correct underground storage tanks	303,004,301
Manage/correct radon	31,521,318
Manage/correct other requirements	2,380,065,108

TABLE V.2.—DATA FOR FIGURE 2: AMOUNT SCHOOLS REPORTED SPENDING OVER THE LAST 3 YEARS AND NEED IN THE NEXT 3 YEARS TO FULFILL FEDERAL MANDATES

Federal mandate	Reported spent in the last 3 years	Reported needed in the next 3 years
Accessibility for students with disabilities	$1,519,755,380	$5,183,407,780
Manage/correct asbestos	1,728,277,353	2,395,445,006
Manage/correct other requirements	200,885,750	2,380,065,108
Manage/correct lead in water/paints	46,241,652	386,647,141
Manage/correct underground storage tanks	302,014,949	303,004,301
Manage/correct radon	13,854,263	31,521,318

TABLE V.3.—DATA FOR FIGURE 3: PERCENT OF BUILDINGS REPORTED IN LESS-THAN-ADEQUATE OVERALL CONDITION

Type of building	Percentage of less-than-adequate buildings
Temporary buildings	27.9
Original buildings	26.2
Attached and/or detached permanent additions to original buildings	17.9

TABLE V.4.—DATA FOR FIGURE 4: BUILDING REPAIRS REPORTED NEEDED IN AMERICA'S SCHOOLS

Type of building	Percentage of schools reporting less-than-adequate building features
HVAC	36.4

TABLE V.4.—DATA FOR FIGURE 4: BUILDING REPAIRS REPORTED NEEDED IN AMERICA'S SCHOOLS—Continued

Type of building	Percentage of schools reporting less-than-adequate building features
Plumbing	29.8
Roofs	27.3
Exterior walls, finishes, windows, doors	26.6
Electrical power	26.4
Electrical lighting	25.4
Interior finishes, trims	24.1
Life safety codes	19.0
Framing, floors, foundations	17.9

TABLE V.5.—DATA FOR FIGURE 5: PERCENTAGE OF SCHOOLS REPORTING UNSATISFACTORY OR VERY UNSATISFACTORY ENVIRONMENTAL FACTORS

Type of environmental condition	Percentage of schools reporting less-than-adequate environmental conditions
Acoustics for noise control	28.1
Ventilation	27.1
Physical security of buildings	24.2
Indoor air quality	19.2
Heating	18.9
Lighting	15.6

MAJOR CONTRIBUTORS

Eleanor L. Johnson, Assistant Director, (202) 512–7209.
Edna M. Saltzman, Project Manager, (313) 256–8109.
D. Catherine Baltzell, Supervisory Social Science Analyst.
Ella F. Cleveland, Subproject Manager.
Harry M. Conley III, Statistician.
Nancy Kintner-Meyer, Evaluator.
Steven R. Machlin, Statistician.
Deborah L. McCormick, Senior Social Science Analyst.
Sara J. Peth, Technical Information Specialist.
William G. Sievert, Technical Advisor.
Kathleen Ward, Technical Advisor.

FOOTNOTES

[1] Education Writers Association, "Wolves at the Schoolhouse Door: An Investigation of the Condition of Public School Buildings" (Washington, D.C.: 1989); American Association of School Administrators, "Schoolhouse in the Red: A Guidebook for Cutting Our Losses" (Arlington, VA.: 1992).

[2] Subsequent reports will address (1) the capability of schools to meet education reform goals and the needs of 21st century education, (2) state role in school facilities, and (3) the relationship of facility conditions to select school and staffing data.

[3] Sampling error is ± 6.61 percent.

[4] No complete national data has been compiled for current replacement value of school buildings. Researchers have used the $422 billion estimate made by the Education Writers Association in "Wolves at the Schoolhouse Door."

[5] "Good" condition means that only routine maintenance or minor repair is required. "Overall" condition includes both physical condition and the ability of the schools to meet the functional requirements of instructional programs.

[6] Any one school may have more than one building.

[7] *Pauley* v. *Kelly*, No. 75-C1268 (Kanawha County Cir. Ct., W. Va., May 1982).

[8] The Education Infrastructure Act of 1994 was introduced by Senator Carol Moseley-Braun and was passed as part of Improving America's Schools Act (P.L. 103-382, Oct. 20, 1994).

[9] The National Education Goals are set forth in Goals 2000: Educate America Act (P.L. 103-227, March 31, 1994). The goals concern (1) school readiness; (2) school completion; (3) student achievement and citizenship; (4) teacher education and professional development; (5) math and science achievement; (6) adult literacy and lifelong learning; (7) safe, disciplined, and alcohol- and drug-free schools; and (8) parental participation.

[10] "School Construction Specification and Financing, National Survey Data 1994," MGT of America, Inc., prepared for Hawaii's State Department of Education (Tallahassee, Fla.: 1994). See also our forthcoming report on state role in school facilities.

[11] The Impact Aid program is administered by the Department of Education and provided $12 million in fiscal year 1994 for constructing and renovating schools in districts that educate "federally connected" children, such as those whose parents live and/or work on military installations and Indian reservations.

[12] "Toxic Substances: Information on Costs and Financial Aid to Schools to Control Asbestos" (GAO/RCED-92-57FS, Jan. 15, 1992).

[13] Building features include roofs; framing, floors, and foundations; exterior walls, finishes, windows, and doors; interior finishes and trims; plumbing, heating, ventilation, air conditioning; electrical power; electrical lighting; and life safety codes.

[14] Environmental factors include lighting, heating, ventilation, indoor air quality, acoustics for noise control, energy efficiency, and physical security of buildings. Although flexibility of instructional space is included as an environmental factor in our questionnaire (see app. IV), we are not addressing those issues in this report. They will be addressed in a forthcoming report.

[15] We are referring to maintenance as the upkeep of property and equipment while repair is work to restore damaged or worn-out property to a normal operating condition.

[16] "Repair and Maintenance of School Buildings" (National Audit Office, Report by the Controller and Auditor General, London, England, Ordered by the House of Commons to be printed July 25, 1991).

[17] We asked district officials what would probably be the total cost of all repairs and renovations required to put all of the district's schools in good overall condition.

Ms. MOSELEY-BRAUN. Mr. President, I wish to thank the GAO staff for their exhaustive work in an area that Senator HARKIN and I have recognized as a critical issue of readiness for educational excellence in this country. And that is what I call the dirty little secret of the condition of America's schools.

The GAO report makes it clear what the American people already know: our schools are deteriorating and we need to fix them. Infrastructure investment is just another way of saying the obvious; that we need to reverse the decades-long habit of trying to ignore the decay while we struggle to eke out money for programs. We have delayed maintenance for too long in too many schools and now the results of that neglect are unmistakable. The chickens, literally, have come home to roost.

Some 14 million children, Mr. President, attend schools that are reported needing extensive repair or replacement. These schools are distributed nationwide. Recent research has concluded that facilities in poor condition may contribute to students' poor performance. It is inherently unfair to hold youngsters to nationwide standards for achievement if they do not have an equal opportunity to learn. It is frightening that major repair and renovation needs exist in fully a third of the 80,000 schools in our country and that over 60 percent of that number reported at least one major feature in disrepair, needing extensive overhaul if not replacement. Most schools reported multiple problems of this nature.

These are not just cosmetic concerns. And I would like my staff to put up some pictures.

This is a series of pictures showing classroom conditions. You will notice

that this science lab looks like it has been the victim of a failed science experiment. But can you imagine our youngsters trying to study the sciences and be competitive in this world economy trying to learn in facilities like that.

Here is one with peeling lead-based paint; burned out lights; unrepaired fire damage. Here is one: Water damage caused buckling floors and missing tiles; more water damage; termites eating out the school library shelves. Here is a basement in a school in Chicago. Here is one of peeling lead-based paint and burned out lights, which is not replaceable. But the irony of it, Mr. President, is the little sign here on the blackboard that says "academic success." It is hard to think that someone can achieve academic success in a setting like this.

These are not just cosmetic concerns. When we speak of major repair needs, we are referring to conditions that are unsafe or even harmful to children's health. The GAO report estimates that the Nation's schools need $112 billion to repair and upgrade America's investment in school facilities to bring them to good overall condition. Just to comply with the Federal mandates to remove asbestos, or lead paint, or radon and pesticides and hazardous materials is estimated to require $11 billion. We are courting disaster if we fail to recognize that these capital needs relate directly to the health and safety of our children in the environment second in importance only to the home.

For example, some 7 million children attended schools with life safety code violations, some 11 million in schools with electrical problems, 15 million in schools with heating and air quality problems, and 12 million with plumbing problems; 11.9 million children attend schools with leaky roofs, and 7 million with hazardous floors. We have allowed the deterioration to continue to a point that the courts are beginning to step in, as was done here in the Nation's Capital and in New York, to require that life-threatening conditions be rectified. Sometimes, as in a recent student strike in Chicago, the children take matters in their own hands.

The Education Infrastructure Act is a small, first step toward putting Federal support where the needs are. It is included in Goals 2000, and was appropriated last year at the $100 million level. I hope we will have the support of the President to keep this money in the budget, and to increase the appropriation this year. Time is not on our side, deferred investment will just make it more, not less expensive to correct. I hope to have the support required to give this initiative the priority it deserves.

I first became aware of the problems facing our Nation's education infrastructure while serving in the Illinois House of Representatives. Throughout my 2½ terms in office, I visited school districts across the State and witnessed the deteriorating condition of public school facilities in both urban and rural districts alike.

Yet, it was not until I began working on education legislation in the U.S. Senate, that I learned that the Federal Government had not collected data on the condition of our Nation's public school facilities since 1965.

Knowing that my efforts to improve our Nation's education infrastructure would be limited by insufficient data, I sent a letter to the General Accounting Office last year, which was cosigned by Senators KENNEDY, PELL, SIMON, and WELLSTONE, requesting a comprehensive, nationwide study on the condition of our Nation's public school facilities.

In responding to my request, the General Accounting Office surveyed a random sample of our Nation's 15,000 school districts and 80,000 public schools from April to December 1994. GAO staff members also visited 41 schools in 10 school districts across the country to supplement their quantitative data with personal observations.

Based on responses from 7.8 percent of the schools sampled, GAO concluded that our Nation's public schools need $112 billion to restore their facilities to good overall condition—including $6 billion to make programs accessible to all students and $5 billion to correct or remove hazardous substances.

More specifically, GAO found that out of the 42 million public school students in the United States: 14 million or 33 percent of all students attend schools that need to extensively repair or replace one or more buildings; 59 percent attend schools that need to repair or replace one or more building features; and 52 percent attend schools that have at least one unsatisfactory environmental condition.

As I said, we are not speaking of cosmetic concerns. We are referring to conditions that are unsafe or even harmful to the safety and well being of our children.

According to the GAO report, this situation is one that is pervasive, it is widespread, and runs the gamut in terms of conditions. I would like my staff to take this set of pictures down and put up the one regarding plumbing conditions and the like.

Mr. President, I am going to digress for a moment while my staff displays the next set of pictures. I have a teenage son. If anything, the youngsters know this. This is not a surprise to any of the pages sitting here. They know of some school in the community from which they come that has this kind of problem. It is a widespread problem. It is a nationwide problem. It is an urban as well as rural problem. These pictures are from urban school districts specifically.

Here is a toilet used to redirect sewage from a broken pipe in the wall here in Washington, DC—our Nation's Capital. This is the kind of infrastructure disrepair that youngsters must try to learn in on a daily basis. Can you imagine the activities in the classroom right next-door to this bathroom?

This next picture is of a home economics sink—small wonder you could not do very well in home economics, if that is the kind of conditions in which you have to work.

Mr. President, in addition to these plumbing concerns, I would also like you to take an opportunity to look at some of the external problems. Young people do not cause the fascia to crack or the structural damage. Here is one of a front door which is a life and safety violation. The front door is chained so the students cannot be injured by the holes in the crumbling front steps of this particular school.

This picture shows structural damage which I can see in the brickwork, in the fascia. Again, a function of the failure to invest in repairs and maintenance over time. This picture is of a 30-year-old portable classroom in New Orleans that was built to last for 10 years. It was designed to be temporary. A portable classroom that was designed to be temporary. It is still there and that is the condition in which it is in—coming apart at the seams. This picture shows a demountable classroom held in place by a steel plate and the wall, of course, is crumbling under the windows.

Mr. President, 7 million students attend schools with life safety code violations; 11 million attend schools with electrical problems; 15 million attend schools with heating, ventilation, and air-conditioning problems; 12 million attend schools with plumbing problems; and 11.9 million students attend schools with leaky roofs.

Mr. President, in preparing their report, GAO staff members traveled across the country to examine public school facilities in America's urban communities and found that: In New York City, A $151 million state-of-the-art science high school is only blocks away from another high school housed in a 100-year-old building which has served as a stable, fire house, factory, and office building; this school's elevators do not work, its interior classrooms have no windows, it's ventilation system needs major repairs, and its heating depends on a fireman's stoking the coal furnace by hand. In Chicago, a leaking roof at one elementary school caused floors to buckle and plaster on the walls and ceilings to crumble; since the leaking roof also flooded parts of the electric wiring system, one teacher would not turn on her lights during rainstorms for fear of electric shock—or fire. In Washington, DC, water damage from an old steam-heating system at a 60-year-old junior high school has caused so much wall deterioration that an entire wing has

been condemned; steam damage is also causing lead-based wall paint to peel. And, in New Orleans, most of the school buildings have no air-conditioning although the average morning relative humidity in New Orleans is 87 percent; Formosan termites have also deteriorated the structure of many schools; in one elementary school, ants ate books on shelves as well as the shelves themselves.

GAO staff members also visited public school facilities in America's rural communities and found similar problems.

In Raymond, WA, one elementary school is made of wood, a potential fire hazard, and the 70-year-old high school is made of unreinforced concrete that probably can not withstand earthquakes.

In Ramona, CA, one elementary school is comprised solely of portable classrooms with no cafeteria or auditorium; one portable room serves as a library, computer lab, music room, and art room. and, in Grandview, WA, the middle school, which was built to house 475 students, currently enrolls 700, while the elementary school designed for 375, now enrolls 464 students.

At this point I would also like to raise the issue of school overcrowding, because, this issue also causes facilities to become inadequate. So you have damage as we see here in these pictures exacerbated by just the numbers of children that are crowding into inadequate facilities.

Mr. President, the American system of public education has historically given local school boards primary responsibility for maintaining our Nation's education infrastructure.

For a long time, local school boards were able to meet that responsibility. However, the ability of local school boards to continue to meet that responsibility has steadily declined, in large part because of escalating costs in the operating budget.

To build schools, local school boards rely on local property taxes. And, as we all know, school boards in every State in the country are finding it increasingly difficult to support their instructional programs, much less their school facilities, with local property taxes.

Local property taxes are an inadequate source of funding for public education because they make the quality of public education dependent on the local property wealth.

Two districts in Illinois illustrate the gross disparities created by our current school financing system.

In 1990, the owner of a $100,000 home in a prosperous community paid $2,103 in local property taxes. This community spent an average of $10,085 per child in its public schools. On the other hand, the owner of a $100,000 home in a low- and moderate-income community paid $4,139 in local property taxes, almost twice as much, but was only able to spend $3,483 per child in its public schools—less than one-third of the money the more prosperous community was spending, and for a host of reasons that goes to local schools.

In their responses to the GAO survey, school officials reported that they have difficulty raising money for needed repairs and renovation, in large part, because of the demands of their operating budgets as well as an antitax sentiment among voters resulting in the failure of bond issues.

In other words the local property tax is an inadequate, inelastic base for funding schools generally, but it has the particularly Draconian effect with regard to infrastructure and facilities because the school districts do not want to have to go back to the taxpayers in order to meet these kinds of repairs.

In fact, 33 percent of school districts reported that they have had an average of two bond issues fail in the past 10 years and that bond proceeds are often much less than needed for repairs. For example, GAO found that: In Montgomery, AL, voters defeated a local tax referendum to remove all portable buildings and build new schools on June 28, 1994; and, in Pomona, CA, a $62.5 million bond issue was submitted to the voters after a survey indicated that the $200 million needed for repairs would be rejected by the voters.

In short, one survey respondent commented that:

> The current puolic attitudes about the economy and education are generally so negative that passing a bond referendum is a fantasy.

Mr. President, the Federal Government, as well as most States, continue to force local school districts to rely increasingly on local property taxes for public education, in general, and for school repair and construction projects, in particular.

In Illinois, for example, the local share of public education funding increased from 48 percent during the 1980–81 school year to 58 percent during the 1992–93 school year, while the State share fell from 43 to 34 percent during this same period.

So what we see is a continuing shifting of the burden to the local property taxpayer, and the local property taxpayer is not able to go any further to meet this need.

At the same time, State support for the repair, renovation, alteration, and construction of public school facilities has fallen even more dramatically in Illinois—one of 23 State that provides little or no funding for school facilities projects.

Although the Illinois General Assembly created the Capital Assistance Program in the early 1970's to help local school districts finance school repair and construction projects, support for this program has diminished rapidly.

During fiscal years 1985 through 1990, the State of Illinois appropriated only $18 million for local school repair and construction projects, and then only on an individual direct-grant basis.

I point out also that the last time this issue even was reviewed at a State level in our State was in 1987 when the Illinois Board of Education thought our rural districts alone needed over $500 million to restore their facilities to good overall conditions. The GAO report found that Chicago public schools need $2.9 billion.

Mr. President, the Federal Government must accept a share of the blame for failing to provide our Nation's children with school environments which are conducive to learning.

In just the last decade alone, the Federal Government's share of public education funding has dropped from 9.8 to 6.1 percent.

That could make a lot of difference when it comes to providing an environment in which young people can learn.

The Federal Government has historically addressed the problems facing our Nation's public schools by passing important legislation including: Section 504 of the Rehabilitation Act of 1973; the Asbestos Hazard Emergency Response Act of 1986; and the Americans with Disabilities Act of 1990. While these laws have laudable goals, they have the effect of passing on even greater costs to already overburdened school districts.

The GAO report states clearly that these mandates alone, account for $11 billion of the $112 billion needed to fix our schools.

Last year, Congress passed the Goals 2000: Educate America Act which President Clinton signed into law on March 31, 1994. I supported this legislation because it promises to create a coherent, national framework for education reform founded on the national education goals.

Since one essential building block of reform is better school facilities, I am pleased that Goals 2000 includes an amendment I introduced that directs the national education standards and improvement council to develop voluntary national opportunity-to-learn standards which address the condition of school facilities.

Nonetheless, I firmly believe that it is inherently unfair to expect our children to meet national performance standards if they do not have an equal opportunity to learn.

That is why I introduced the Education Infrastructure Act last April. This legislation, which was included in the reauthorization of the Elementary and Secondary Education Act [ESEA], is specifically designed to help local school districts ensure the health and safety of students through the repair, renovation, alteration, and construction of school facilities.

With the help of my distinguished colleague from Iowa [Mr. HARKIN], I was able to include $100 million in the

1995 Department of Education budget for the education infrastructure program. While this appropriation level represents a drop in the bucket in terms of our Nation's education infrastructure needs, it is significant, nonetheless, because it is the first drop.

The Education Infrastructure Act requires the Secretary of Education to award funds to school districts with at least 15 percent child poverty rates and urgent repair and renovation needs.

This legislation further targets program funds by requiring the Secretary to award funds among eligible school districts on the basis of:

The number or percentages of children in poverty;

The extent to which they lack the fiscal capacity to undertake the project without Federal assistance;

The threat the physical condition of the plant poses to the safety and well-being of students; and

The age of the facility to be replaced.

Mr. President, the Education Infrastructure Act does not infringe upon local control over public education in any way. Rather, it seeks to supplement, augment, and assist local efforts to support education in the least intrusive way possible by helping local school boards support the repair, renovation, alteration, and construction of our Nation's public elementary and secondary school facilities.

Mr. President, the Education Infrastructure Act will help our children learn by providing an environment conducive to learning. In her research at Georgetown University, Maureen Edwards found that students in poor school facilities can be expected to fall 5.5 percentage points below those in schools in fair condition and 11 percentage points below those in schools in excellent condition.

For all of these reasons, the Education Infrastructure Act was enthusiastically endorsed by the National PTA, the National Education Association, the National School Boards Association, the American Association of School Administrators, the Council of Great City Schools, the National Committee for Adequate School Housing, the City University of New York, the AFL–CIO Building and Trades Commission, the Military Impacted Schools Association, the American Library Association, the American Federation of Teachers, the National Association of Federal Education Program Administrators, ASPIRA, the Council of Education Facilities Planners International, and the American Federation of School Administrators.

Mr. President, I have taken the time today to highlight the results of the GAO report as well as the merits of the Education Infrastructure Act because Republican Members of Congress are currently preparing legislation that would rescind the $100 million appropriated for the Education Infrastructure Act in 1995.

Needless to say, I am vehemently opposed to any proposal that would force Congress to take this giant leap backward. In my view, it would be unconscionable for Congress to withdraw funding for the Education Infrastructure Act—especially now given the results of the GAO report.

Mr. President, I would like to conclude my remarks by urging my colleagues to read the "Condition of America's Schools" report for themselves and to join me in working to secure funding for the Education Infrastructure Act in 1995 and 1996.

Rather, I believe that President Clinton should include at least $200 million for the Education Infrastructure Program in his fiscal year 1996 budget request and that Congress should meet this request.

By providing this needed and long overdue support, we will begin to address our failure to adequately engage Federal resources in behalf of preparing our children for competition in this global economy and securing the future of our Democratic institutions. This is not in our children's interest; this is in our national interest.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

Mr. SHELBY. Mr. President, we are involved here in a truly historic debate. The proposed balanced budget amendment will decide the fate of America for years to come. Our decision will dictate whether our children and grandchildren will live free and prosper from the fruits of their labor or, on the other hand, live in a Third World economy subservient to the economic leaders of other industrialized nations in the world.

Debtors are never free to choose. They are never free to choose. They are only subject to the dominion of their creditors. We all know this.

Interest payments on the national debt now are expected to be $310 billion this year. Interest payments on the national debt are expected to be $310 billion. Think of it. That comes out to be about $4,600 per family, or 52 percent of all individual income taxes collected in America this year. The national debt itself is over $4.75 trillion, going on $5 trillion. Gross domestic product is only about $6.5 trillion.

Combined, these numbers produce a debt-to-GDP ratio of 73 percent. As the debt continues to grow, so inevitably does the tax burden on the American people. Granted, Mr. President, we have gotten away with debt in the past, but the time to pay the bill is rapidly approaching. The global markets are beginning to experience a capital crunch. European economies are expanding and picking up steam. Southeast Asian markets are booming. Japan is calling on its reserves to rebuild infrastructure after the earthquake.

In short, Mr. President, demand for capital is simply growing faster than can be supplied and, as a result, investors are being more selective about which markets they place their money in, as they should be.

A very clear and primary concern of financial markets is a nation's poor economic policies and its debt structure. I submit here today that the lack of budget discipline we display here in the United States is not highly regarded among any investor in the world. Our current account stood at $104 billion in 1993. This means we either sold $104 billion in assets to foreign entities, borrowed $104 billion from foreign entities, or a combination of the two.

Although a current account deficit in and of itself is not a bad thing, the accumulation of persistent current account deficits, over time, leads to a great big external debt. These deficits identify a systematic shortfall of savings below investment, due to an expansion of consumption relative to income. The implication is that we borrow to finance current consumption expenditures that have no effect on economic growth or future income in this country. In other words, the Government is borrowing abroad to finance an excess of expenditures over income. We are living beyond our means.

Projections of higher current account deficits run well into the foreseeable future. The former Chairman of the Federal Reserve Board, Paul Volcker, for whom we all have great respect, has warned of the current account deficit addiction, as he calls it.

He said:

> * * * we simply cannot afford to become addicted to drawing on increasing amounts of foreign savings to help finance our internal economy. Part of our domestic industry—that part dependent on exports, or competing with imports—would be sacrificed. The stability of the dollar and of our domestic financial markets would become hostage to events abroad. If recovery is to proceed elsewhere, as we want, other countries will increasingly need their own savings. Although we do not know when, the process eventually would break down.

Those are not my words. They are the words of Dr. Volcker. We cannot, Mr. President, continue to finance our debt through a balance of payments deficit unless we want to find ourselves in the same type of crisis as Mexico, or perhaps Canada.

Mexico, as we all know, is in dire financial straits. The cause of Mexico's problems is based on large budget and current account deficits. Mexico tried to finance consumption by running a current account deficit at nearly 8 percent of the gross domestic product, living well beyond their means. Financial

markets realized the risk of holding Mexican currency and proceeded in a widespread selloff of the peso. Mexico was virtually helpless in its ability to manage monetary policy due to what? Their structural debt problem.

Now, Mr. President, private investors will not even prop up the peso without a guarantee from the United States or something similar to that, the President announced.

If you look to our north, another neighbor is financially destitute. Canada's long-suffering dollar is at a 9-year low. Canada has the second highest ratio of debt-to-gross domestic product of any industrialized country, and 35 percent of all Federal revenues in Canada go to service the debt. In addition, Canada ran a $30 billion balance of payments deficit in this past year. Canada is in serious trouble. Some Third World countries have a better handle on their debt than our neighbor to the north.

The fiscal order of Canada is forcing real budget decisions and real budget cuts. No fiddling around the edges, Canada is on the verge of becoming a Third World country if they do not take immediate and radical steps to address their debt problem.

Mexico and Canada, for us, provide valuable, tangible lessons of what happens if a country does not address its debt. Some will agree but then point out that a balanced budget amendment is not the means to achieve fiscal restraint. We have heard it before. They say, "All we need is the will to balance the budget." That is a common refrain. Unfortunately, Mr. President, the collective will is not present in this body.

In a 1932 radio speech, President Franklin Delano Roosevelt said, "Any government, like any family, can for a year spend a little more than it earns. But you and I know that a continuance of that habit means the poorhouse."

Well, President Roosevelt knew what he was talking about. Our continued habit has produced deficits in 33 out of the last 34 years in this country. Can you imagine? In 33 of the last 34 years we have run a deficit. Presently, there is no end in sight. I believe every Senator has the will to balance the budget. What they will not agree on is the way to get there. The nature of this institution instills incentives to vote for additional expenditures and deficit financing.

No one likes to take the heat for cutting specific programs. Indeed, many Senators do not vote to cut programs for that very reason. That is why we need a balanced budget amendment—to instill the individual will for action on the collective body. Planning strategic cuts over a period of 7 years will be much less painful than waiting until the debt collector is standing at our door.

Currently, 48 States possess one sort of a balanced budget requirement or another. For them, these restrictions provide a source of discipline throughout the budget process. It is an extremely aristocratic notion to believe we are better than the States and do not need such forced discipline to help us balance the budget, because we all know better. Congress has proven we cannot balance the budget on our own, and we will not.

Canada and Mexico are wake-up calls. I do not want the United States to be like Britain in the 1970's or New Zealand in the 1980's. Both had to call in the International Monetary Fund to stabilize its falling currency. We had a scare last year and unless we pass this amendment, we may very well experience far worse in the future.

Government deficits reduce national savings. As a result, the economy accumulates less domestic capital and fewer foreign assets. The lack of Government investment means that borrowing is not being used to finance increased productivity and therefore will not provide a foundation for future repayment of the debt. Federal Government surpluses are pertinent to the repayment of the public debt. Some will say we can raise taxes. I, for one, will not support an increase in taxes. It has been proven time and time again, higher taxes do not eliminate the deficit. Instead, experience suggests Congress will spend all tax revenues plus the highest deficit markets will accept.

The accumulation of debt will cause our children and grandchildren to have lower standards of living, because they will inherit a smaller capital stock and because they will have to pay more interest to foreign investors. This reduction in future living standards reflects the true burden of Government debt.

To vote against this amendment is to disregard the obligation we have to protect and serve not only this country but the children that we bequeath this burden to.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I rise in support of the passage of the balanced budget amendment. I could not think of a single issue—not one—that is more central nor more tied to what the American people were saying in these past elections than the balanced budget amendment.

It is interesting to me that in the President's speech on the state of the Union, he said something to the effect that the American people were not singing to us, they were shouting at us. On that point, the President is absolutely correct. They were shouting at Washington and they were demanding change in the way we govern ourselves. Eighty to eighty-five percent of the American people have indicated support of the passage of an amendment to the Constitution to balance the budget.

The President said he heard the shouting, but apparently he has not because if you heard what they were saying, you would be in front of the train trying to bring the change that they are asking for here to Washington and he would be leading the charge for passage of the balanced budget amendment.

The President is going to be submitting his budget next week and we will see what kind of glidepath or pattern he sets toward approaching a balanced budget by the year 2002.

I want to repeat, Mr. President, in the last election, there was no greater centerpiece than the issue of passage of a balanced budget amendment. None. That election had a profound effect on this administration, which is obvious. It has found itself in deliberation. It is talking about reinventing, the President rereading the speeches of 1992, trying to understand where a disconnect occurred. I would suggest that the administration need not go no further than to read what America is saying about the passage of a balanced budget amendment.

Very often those who speak in opposition to the passage of the amendment will cite various sectors of our society and suggest harm will come to them if we exercise the discipline of balancing our budget. I would suggest the complete reverse.

Mr. President, if we do not take charge of our financial health, the various constituencies—children, the poor, the aged, whatever—of our Nation will be the first victims of a Nation so financially unhealthy that it cannot take care of its critical needs. It is exactly those constituencies.

There is an article in my home paper, the Atlanta Constitution, that suggests that a balanced budget amendment could only be achieved on the backs of children. How absurd.

The balanced budget amendment is exactly for children, for the future, for guaranteeing a country that has sufficient financial strength to defend itself, financial strength to care for itself. Have we ever known a family, Mr. President, or a business or a community that was able to function if it was financially unhealthy? I mean, are bankrupt companies able to do what they are supposed to do? Absolutely not. If a family has charged too much on a credit card, what happens? They are in trouble. It often leads to even breakup of the family. A country without having secured financial health cannot care for itself.

Mr. President, we are engaged in a defining moment in the history of this Nation and specifically on the issue of a balanced budget amendment. This is a clarification of exactly where we stand. Are we for changing the way we govern ourselves in this country in Washington or are we for leaving everything just the way it is?

Mr. President, America has already made up her mind. She has said just as loudly as she can—the President is correct, shouting at us—"change."

One of the reasons I think the President had difficulty in the last midterm election was that they thought that was what he was going to do, fight for change, and they came to know that he would not. And he has defined the next 2 years of his administration by saying that he will not support a balanced budget amendment.

Mr. President, as I said, this is a defining moment. You either stand with the country that called for change, we change the manner in which we govern our finance, or you reject the elections, you reject what the American people have called for and you become a defender of Washington just the way it is. It is just that clear. Are you for change or do you want it to stay the way it is?

America is calling for change. This is the chance to answer the call.

Mr. President, I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise in strong support of cutting wasteful spending and closing tax loopholes. I also rise in opposition to this balanced budget amendment to our Constitution. I rise in strong support of fiscal discipline, but in opposition to a fiscal straitjacket that could cripple our economy and possibly even cause a depression.

I rise in strong support of balancing our operating budget, but in opposition to using the Social Security trust fund to do it.

I rise in support of a pay-as-you-go approach to the Government's operating expenses, but in opposition to an amendment that ignores the fundamental principles of capital budgeting under which virtually all businesses and States operate.

And I rise in strong support of holding Congress accountable for deficit spending, but in opposition to giving unelected judges the power to raise taxes and to cut Social Security benefits.

Mr. President, I know that very deep public concerns have led to the consideration of this amendment. The American people have made it quite clear that they want to do more to cut wasteful spending, and I agree. We have made some progress, but there is still far too much waste from top-heavy Government bureaucracies to farm subsidies, the B–2 bomber, star wars, the space station, and a variety of special interest tax loopholes. We should do better.

Americans have every right to be angry about the deficits and the waste that contributes to it. Unfortunately, the balanced budget amendment is not a magic bullet that is going to kill the deficit. I only wish it were. We must be frank with the American people. This amendment will not cut a dime of spending or close a single tax loophole.

As many of my colleagues have urged on this floor, it is critical that before this amendment is approved, its proponents should tell the American people how this is going to get the job done. Unfortunately, so far, we have seen very little inclination to do so.

Proponents do not want to tell the people that taxes for ordinary Americans could skyrocket. They do not want to tell the people that Social Security benefits could be slashed. They do not want to tell the people about lost Medicare services or fewer FBI agents or fewer border guards, or weakening of immigration enforcement.

Mr. President, are these kinds of drastic consequences really likely? Let us just take a look at the numbers. Proponents of this amendment claim that they can balance the budget while increasing military spending and cutting taxes for the very wealthy.

But according to an analysis by the staff of the Budget Committee, to accomplish that and meet the Government's existing commitments to retirees and Medicare, you would have to cut everything else literally 50-percent. Think about that for a moment, Mr. President: A 50-percent cut in law enforcement, a 50-percent cut in education, a 50-percent cut in immigration enforcement, a 50-percent cut in job training.

The people in my State of New Jersey would pay a very high price for this amendment, especially if it is adopted in conjunction with other items in the so-called Contract With America.

According to a study by the Department of Treasury, New Jersey would lose almost $1 billion annually for programs like education, job training, environmental protection, and housing. We would lose another $200 million for highways. And to make up for these and other cuts, State taxes would have to increase by 17.5 percent across the board, 17.5 percent.

Our Governor has been working very hard to reduce the tax burden on the citizens within our State. Her target is 30 percent. And with this change, we could be looking at a 17.5 percent increase in taxes.

The balanced budget amendment also could wreak havoc on our State's economy. There is a study by a well-respected organization, the Wharton econometrics group, or WEFA, as they are known, which analyzed how the amendment would affect the economy in the year 2003.

According to WEFA, the amendment would mean that more than 178,000 people would lose their jobs and the unemployment rate would increase by almost 5 percent and personal incomes would decline by about 12 percent.

Again, Mr. President, these are figures from a well-respected, nonpartisan research organization and they should at least give us serious pause.

I wonder if the American people have any idea that we are talking about these kinds of drastic steps. I doubt it. And one reason is that amendment proponents have kept the public in the dark. They refuse to say what will be necessary if this amendment passes.

Why? Because the public would turn it down and it would remove this kind of hide-and-seek cover that is being used to present this deception, to suggest that the way we are going to solve our problems is by some formula change to our Constitution which has as its structure the separation of powers and the responsibility for each one of those divisions of Government.

No, Mr. President, what we are trying to do is escape by this the responsibility that each of us took when we took our oath under the Constitution to protect our public and the Constitution of the United States. What we are doing is we are seeing a duck-for-cover tactic that I do not think, in the final analysis is, A, going to work and, B, going to answer the problems.

Unfortunately, by the time the public learns what this amendment will really do, it may be too late. That, in fact, is the admitted strategy of its proponents, and it is outrageous and abhorrent as a way to debate an amendment to the Constitution of the United States.

We should be honest not only about the cuts and tax increases that are likely to result from this amendment, but also about the way the amendment would hamstring critical efforts to stimulate the economy during serious recessions.

When the economy suffers a cyclical downturn, tax revenues go down, and spending for unemployment benefits and other items go up. So the deficit increases. Under this amendment, Congress would then have to make up the difference with measures that will stifle the economy even further.

That is not good economic policy, and it will have extremely serious consequences for ordinary Americans. It will mean lost jobs and lost wages and, quite possibly, could send us into another Great Depression before we would know what hit us. Having lived through the Depression as a child, I can tell you, that is something to avoid like the plague.

Let me discuss another aspect of this amendment that will take us backward. The amendment proposes to balance the budget by raiding the Social Security trust fund. Social Security represents a sacred trust between the Government and our citizens. Often, it is the mainstay of retirees. We have made a commitment, virtually a contract, with the men and women who have been paying into that trust fund. And so it is critical that we keep it off budget.

If Congress spends too much on welfare or the military or farm programs, or if we give too many tax breaks to the wealthy, why should Social Security beneficiaries have to suffer as a result? They earned their benefits. They paid into that fund, and it is wrong to make them pay for Congress' overspending.

Just as it is wrong to include Social Security in the budget, it is also wrong to commingle the capital and operating budgets.

Mr. President, how many times have we heard the same line: "If ordinary Americans can balance their family budgets, if State governments can balance their budgets, and if businesses can balance their budgets, why can't the Federal Government?"

It is a good question. The real answer is that families, States, and businesses balance their operating budgets most of the time.

But they also borrow for long-term investments. Families borrow to buy a house. They borrow to buy a car. States borrow for capital projects that will benefit future generations. Every day, individuals borrow to invest in their future by taking student loans. Every day, if they did not, most would have no future, especially in today's increasingly technological age. That is why they do not balance all receipts and expenditures. They balance only their operating budgets.

By contrast, Mr. President, this amendment lumps the capital and operating budgets together and makes no distinction between investments and operational expenses. This ignores the basic standards of budgeting under which virtually every business in America operates. As a former CEO of a major public corporation, Mr. President, I can attest to that. Commingling the capital and operating budgets threatens to rob us of investments that are critical to our Nation's future.

Mr. President, investments are necessary in our Nation's roads, in our bridges, in our airports, in our air traffic control systems, investments in the information superhighway, and the technology of tomorrow. To ignore these kinds of investments is to ignore our own future.

We hear it said many times that if we do not have the balanced budget amendment, we are delegating to our children and future generations huge obligations to repay debt, interest, and principal. Mr. President, as all know, if you do not make investments in tomorrow, that really deprives our children and our grandchildren of opportunities to learn, to earn, to work, to develop. That is when the real penalty to our children and grandchildren is going to come into place. And we can do something about it. We can reduce our spending, and we can proceed to a closer balance of our budgets.

We have seen in the last few years, with the President's leadership, we have been able to substantially cut our annual deficit, somewhere around a half-trillion dollars over the 3-year period as contemplated.

This amendment also violates a fundamental principle upon which our Nation was founded, and that is the principle of no taxation without representation. The balanced budget amendment is intended to encourage the Congress and the President to agree on measures to eliminate the deficit, but what happens if the two branches disagree? What happens if notwithstanding the amendment the budget is still not in balance? The answer most likely at least as presently designed is that the courts eventually would step in to implement the constitutional requirement. That could mean not only cuts in Social Security, Medicare, and other Federal benefits but substantial tax increases.

Some proponents of a balanced budget amendment may say that that is not their intent, but the courts will not be able to rely on such claims. First, there is real disagreement among amendment proponents, and some insist the courts must enforce the amendment. More importantly, there is nothing in the amendment itself that seeks to preclude the courts from enforcing the amendment's provisions. This contrasts starkly with other versions of a balanced budget amendment. And so the obvious question for the courts will be if the amendment is not intended to preclude judicial enforcement, why does it not include an explicit statement to that effect?

Mr. President, the court's power to interpret and enforce the Constitution has been well established since the famed case of Marbury versus Madison. That long established power is not likely to be relinquished. So, Mr. President, the threat of judicial taxation under a balanced budget amendment is not hypothetical; it is very real. And that is not just my opinion. Legal experts of all political stripes agree.

For example, Harvard law professor, Laurence Tribe, has testified that "Judicial enforcement of the proposed balanced budget amendment would necessarily plunge judges into the heart of the taxing, spending, and budgetary process."

Similarly, the conservative former Supreme Court nominee, Robert Bork, who also opposes the balanced budget amendment, has warned that the amendment could lead to tax increases mandated by unelected, lifetime-tenured judges. In his words,

> The judiciary would have effectively assumed a considerable degree of control over the fiscal affairs of the United States. That outcome cannot be desired by anyone, including the courts.

Mr. President, over 200 years ago, this country was born after citizens were burdened with stiff tax increases imposed by distant elite rulers who did not represent the people and who were unaccountable to them. The rallying cry of our oppressed forefathers was clear and compelling, and that same rallying cry applies to this amendment—no taxation without representation. I say it again: No taxation without representation. It is permanently embedded in the earliest of our schoolchildren. They know about that episode in American history. They know the impact that had in the creation of this wonderful democracy of ours.

Mr. President, it is bad enough that ordinary Americans are now paying an unfair portion of the tax burden, but that burden may get a lot heavier when judges inherit the task of balancing the budget. After all, the judiciary is the branch of Government that by design is most insulated from the public. In fact, judges are supposed to ignore public opinion.

Mr. President, if we think the American people are angry today, just wait. Wait until they get hit with a huge tax increase by a district court judge who they have never heard of, never voted for, and they will never be able to vote out of office. The reaction will make the famous Boston insurrection look really like a tea party.

I know that some amendment proponents are convinced that the courts will not intervene to enforce this amendment. Some have pointed to the doctrines of standing or justiciability and conveniently assume that these old doctrines would apply to a newly adopted constitutional amendment. But supporters of the amendment cannot have it both ways. If this amendment really will force Congress to reduce the deficit, who is going to force us if not the courts?

After all, Congress has already passed laws to force itself to balance the budget, but without an effective enforcement mechanism we simply sidestepped our own law. And now amendment proponents assure us that the same evasion will not be possible under a constitutional amendment. But just as prohibition did not stop drinking because it was unenforceable, a balanced budget will not stop spending if courts are impotent to enforce it.

I find it absolutely astounding to hear amendment proponents argue that the courts would never enforce this amendment. We are talking about an amendment to the Constitution of the United States, not a sense-of-the-Congress resolution. Can the proponents really believe that the balanced budget amendment is nothing more than a meaningless scrap of paper that cannot be enforced? Could they really be that cynical? I do not think so, Mr. President. And I do not think the courts will either. As Laurence Tribe and Robert Bork concluded, the courts will not presume that this is a meaningless and utterly unenforceable scrap of paper. To the contrary. And that is why the threat of judicial taxation is so real.

Mr. President, there is no need to rely on the judiciary to reduce the deficit. Congress could do it. We could start now if we had the political will. In fact, we have already made significant progress which I have talked about earlier.

Consider what happened over the past 15 years. In 1981, the deficit was $79 billion, but then President Reagan's huge military buildup, combined with tax cuts for the wealthiest Americans, led to massive borrowing on an unprecedented scale. By 1992, Republican policies had increased the deficit from $79 billion to $290 billion. Since President Clinton began to reverse those policies, however, there has been a dramatic improvement. The deficit this year will be about 40 percent smaller than in President Bush's last year. For the first time in a decade we will have reduced the deficit for 3 consecutive years. The number of Federal employees is the lowest since the Kennedy administration. And though much remains to be done, we have shown that it does not take a constitutional amendment to reduce the deficit in a meaningful way.

The irony, Mr. President, is that passing the balanced budget amendment actually will make it far less likely that Congress will balance the budget any time soon. This amendment does not require a balanced budget until the year 2002. Meanwhile, Members who vote for the amendment will be able to point to their vote as evidence of their supposed commitment to fiscal discipline. I called it a coverup, and I use the same term now. What do you want from me? I voted for a balanced budget. Yes; I did not do my share by cutting expenses properly or balancing revenues with expenses, but I did vote after all for a balanced budget amendment. It is hide and seek. Hide the mission and seek the culprit.

Meanwhile, Members who will have voted for the amendment can draw a degree of satisfaction, not for the job done but for escaping responsibility. If you can say that you voted for a balanced budget, why bother to antagonize constituents by cutting their benefit programs or raising taxes? There is far less incentive to make those hard choices.

Mr. President, we should not play games with the American people. We do not want to shift, or should not shift, the burden of our responsibilities to the judiciary. Let us not put off the hard decisions for another 7 years. Let us take personal responsibility for the problem and make those tough choices now.

In conclusion, Mr. President, I strongly support cutting wasteful spending and reducing our deficit. I want to work with my colleagues to actually cut the spending and close tax loopholes. This balanced budget proposal does not help reach that goal. Its proponents refuse to spell out what steps they would actually take to reduce spending. Whose benefits will be cut and whose taxes will go up? But one thing we do know for sure. The impact on our Nation could be disastrous. It could hamstring our ability to respond to economic and other emergencies, undermine our entire Social Security system, rob us of investments for our future, and allow unelected and unaccountable judges to impose huge tax increases on ordinary Americans.

Mr. President, this amendment could go down as one of the most tragic mistakes ever made by this Nation. I hope that my colleagues will face up to the reality of the situation. As has been said before, you can run but you cannot hide. That is what happens if we pass this amendment without detailing how it is that we are going to balance their budget and how it is that we are going to deal with the responsibility and maintain it where it belongs, in the House and in the Senate.

I urge my colleagues in the strongest possible terms to reject it.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank my distinguished colleague, Mr. LAUTENBERG, for his excellent statement. He has very eloquently stated the clear and present dangers with which this amendment is fraught.

Mr. President, I thank the Chair for momentarily indulging me.

I have listened to the claims of the proponents of the constitutional amendment for several days now. I compliment them on their dedication to their cause as they see it. I respect their viewpoints. I respect their sincerity. I realize that not everyone will agree with my viewpoint.

I commend the distinguished Senator from Illinois [Mr. SIMON] for his steadfast adherence to the belief that the way to get our deficits under control and lower the interest on the debt and reduce the debt is to adopt a constitutional amendment on the balanced budget. I respect his viewpoint. I differ with it. But we can differ as friends and we do differ as friends.

I also speak with respect to the distinguished Senator from Utah, [Mr. HATCH] the chairman of the Senate Committee on the Judiciary who, likewise, is a very formidable and principled supporter of the proposal.

I think they are wrong. They think I am wrong. But it is the people out there that we hope to try to persuade as to which viewpoint is the right one under the circumstances that obtain.

So, I have listened to the claims of the proponents of the constitutional amendment for several days now. As I listen, it seems to me that the proponents are selling this amendment very much as the oldtime peddlers sold tonic and liniments, kidney pills and snake oil. To hear the proponents tell it, this amendment will cure everything that is wrong with America today. Just take a good swig of this magic tonic, Mr. and Mrs. America, and your problems will disappear. Your head will stop aching, your arthritis will clear up, your fingernails will grow long and strong, your taste buds will tingle, your hearing will become more acute, you can throw away that old hearing aid, your eyesight will sharpen—you can just pitch those glasses out in the garbage can, your dandruff will cease if you have any hair, and if you do not have hair, it will grow hair, and your teeth will whiten, and your marriage will probably improve. Well, never mind what is in the bottle, Mr. and Mrs. America. Truth in labeling does not apply here. Truth in advertising has no place in this debate. Just swallow this magic elixir and all will be well.

The American people are usually good consumers. They are smart consumers. They read the labels on the grocery store shelf to get the fat content of the food they purchase. They read the labels on the cans of food that they buy. I know that I do. I want to find out how much fat there is in the contents, how much sodium, how much cholesterol, and how much by way of proteins and carbohydrates, and so on. They look under the hood of cars that they buy. They kick the tires. They squeeze the cantaloupes and the cabbage heads and the other vegetables that they buy. They read the fine print. And by law that fine print has to be placed on those labels.

But, I do not believe that the U.S. Senate is helping the people to exercise their prowess as good consumers with the debate so far on this floor.

We are not discussing national priorities. We are not spelling out the contents of this snake oil amendment. We are not talking about what should or should not be on the chopping block for cuts. We are not debating the impact such an amendment might have on the economy. We are not talking about the hard choices that will have to be made by somebody if we enact this amendment.

The proponents have steadfastly refused to lay out a plan to get to balance. Take it on faith, America. It will be good for the Nation. I ask the American people this question. How will you know if this amendment will be good for the Nation, if you do not know what cuts will be made, how much each State, how much each county, how much each municipality across this land will have to absorb as a result of the cuts, how much your State taxes will rise as a result of Federal cuts, what will happen to Federal aid to education, what will happen to Medicare, what might happen to our ability to

compete with other countries in the global marketplace, what the amendment might mean in terms of clean water, clean air, veteran's pensions, the national defense? In short, what is good for the Nation cannot be determined without these critical details. To claim otherwise is simply untrue. The American people are entitled to more than a wink and a nod and an empty promise. We cannot treat the American people like children. If they want us to balance the budget, we must honestly try to do it, but we must also honestly tell them what it will take and that it will mean radical changes in their personal lives. We owe the people that. To do less is to betray their faith in sending us here.

It is puzzling to me that after the results of this election, when the people said that they were tired of Washington politicians telling them what to do, we come right out of the box with this proposed major, major, major change in our organic law and with the proponents claiming that the people do not need details. In other words, once again, we in Washington know what is good for you, Mr. and Mrs. America.

This balanced budget amendment is good for you. You do not need to know the details. Take the tonic. Swallow the snake oil. Do not read the label. There is no label to read. Take our word for it.

Well, if the American people let us get away with that dodge, then they have done themselves a giant disservice.

If they swallow this quack medicine without being sure that it will not be toxic to the system, they surely may regret the results.

If the Governors and the mayors and the State legislators do not demand to know just exactly what we have in mind when we talk about balancing this budget in 7 years, then how can they have an informed debate if and when the matter rests squarely on their doorsteps? How will they explain to their own constituents what the amendment means?

If I were a Governor contemplating the enactment of this amendment, I would be very, very nervous about any promises that I had made to lower taxes. I know that I have heard some of the Governors throughout the land boast about how much they have cut taxes in the States. They want the Senate to adopt this balanced budget amendment, and they talk about how much they, the Governors, have cut taxes in their States. I heard the Governor from New Jersey speak about how many taxes she had cut and how much more in taxes she proposes to cut. Well, I have news for you, Governor, if this amendment is adopted, you will not be cutting taxes, you will be raising taxes—and remember that.

With the magnitude of cuts that will have to be made to get a balanced budget by 2002, the States are going to have to pick up an awful lot of slack. Essential services will have to continue. Unemployment, dirty air, dirty water, hazardous waste, hungry children, natural disasters—all of these problems will still be with us. A balanced budget amendment will not change any of those things. Not one. State and local officials should know what we here in the Congress propose to do before they are asked to buy this pig in a giant poke. We do not even know if there is a pig in that poke. We cannot even get a squeal out of that pig. If State and local officials do not trust the Federal Government to make decisions involving the States, how in the world can they sit on their hands and trust us with the mother of all decisions? That is what we are talking about. How in the world do we dare to ask the people and the Governors and the mayors and the State legislators to make this giant leap of faith?

What will the people do if they do not like the plan that emerges? What if we adopt this amendment without laying out the plan? Well, it will be too late then. The contract with evasion will have been signed, sealed, and delivered, right to your doorstep. Once the amendment is in the Constitution, the politicians do not have to listen to the people's voices on the matter anymore. The politicians can cut and run. They can say we have to cut Medicare, whether you like it or not, because the Constitution has this new amendment in it and it says we have to; we have to do that. The politicians can say to the States, you have to pay for these services now with hikes in your own taxes. You told us to balance the budget in 7 years, so we have to cut money to the States. Or the politicians can commit the ultimate act of evasion and say we cannot do this, Mr. and Mrs. America. We told you that we could, but it is too harsh and we will not do it. The President will have to do it. He will have to impound funds, or the courts will have to order us to balance the budget, and they will also have to tell us which taxes to raise and which programs to cut.

What then will we have done to our country? What then will we have done to the Constitution, as written by the Framers 208 years ago? It has been in effect now for 206 years. What then will we have done to representative democracy?

We must not treat the people as children. We must tell them the truth, even though it is inconvenient for us politicians to do so. What kind of Senators are we if we simply pass this amendment without ourselves knowing what it means? We say that the American people ought to know what it means. We, as their representatives in this great assembly, have a right to know what it means and have a duty to ask what it means before we vote. What kind of representation are we giving to our people if we do not demand to know the details of this proposal before we vote on it? We as Senators cannot say, "Let this cup pass from me," vote on the amendment and then let us tell the people what is in it. We cannot say, "Let this cup pass from me." We cannot say that we shall wash our hands of it. We have a duty to those constituents who send us to this forum of the States to know what we are doing, what we are buying onto, and what we are about to perpetrate on the people, before we cast our votes. I say we will not be giving the people very worthy representation unless we insist on it. I say we ought to feel like backing up to the pay window if we cannot do better. The American people pay us very well. We ought to be willing to do what they pay us to do, which is to make intelligent, well-informed decisions in their behalf and in their best interests. We cannot do the job they sent us here to do if we are simply going to be stonewalled by the proponents and prevented from knowing what we are about to do to our country.

Talleyrand, who was Napoleon's foreign minister, and who dominated politics in Europe for 40 years, said, "There is more wisdom in public opinion than is to be found in Napoleon, Voltaire, or all the ministers of state, present and to come." And that is true. But there is wisdom in public opinion only if the public is informed, if the public is duly and well informed about the subject on which a judgment is to be made. Woodrow Wilson said that the informing function is as important as is the legislative function of a legislative body. Inform the people who send us here.

At this point in time, this amendment is nothing more than a slogan. It has no teeth at this point in time. Its impact is unknown. It is nothing more than an empty promise. Many of the Members who will vote on it will not even be here when it has to be fulfilled. It is, in that sense, a fraud. It is a fantasy created for children, and the American people are not all children. It is an illusion without substance. It is cotton candy for the public mind. It is Tinkerbell on wings of gossamer. Disneyland has really come to Washington after all. But the American people are not children and Senators are not elected to simply pacify the American people with fairy tales.

Let us demand to know the proponents' plan to achieve a balanced budget by 2002 before we ask the States to decide and before we graft this pneumatic excrescence, this wart filled with wind onto our time-tested Constitution.

Mr. President, if this amendment is adopted, it will likely mean massive cuts in Federal spending over the next 7 years.

As the chart to my left states, the Congressional Budget Office estimates

that a balanced budget amendment would require a cut of $1.2 trillion in Federal spending by the year 2002. To make matters worse, the so-called Contract With America; which I did not sign onto, Mr. President. I carry my contract right here over my heart. Alexander the Great idolized "The Iliad" and he kept a copy under his pillow at night. I keep a copy of my contract with America—right here, here it is—over my heart, the Constitution of the United States of America. It is a contract that was signed 208 years ago, not something that just blew up out of the wind before last year's election.

To make matters worse, the so-called Contract With America calls for tax cuts—tax cuts; what a folly—tax cuts along with balancing the budget. This would require a cut of $1.5 trillion in Federal spending by the year 2002.

How much is $1 trillion? Count it at the rate of $1 per second—32,000 years.

Now, you may ask, what will get whacked? What will get whacked? What will get whacked?

CBO tells us that if we were to cut all Federal spending across-the-board, except interest on the debt, it would require a 13-percent cut in all programs in the year 2002 alone. That means cutting defense, Social Security, Medicare, Medicaid, veterans' pensions, veterans' compensation, veterans' medical care, prison construction and operations, environmental cleanup, civilian and military pensions, housing, education, all student loan programs, infrastructure investments on transportation projects, water projects, locks and dams, the FBI, national parks, food stamps, WIC, and the list goes on and on—all will have to be cut 13 percent across-the-board. But, there are a number of Senators who want to take Social Security off of the deficit-cutting table. If we do that, everything else will have to be cut 18 percent.

The so-called Contract With America—which I did not sign. This is my contract with America, the Constitution of the United States. I have sworn 13 times to support and defend that Constitution over the last 48 years—13 times.

But it calls for increases, not cuts, in defense spending. If we exempt interest, if we exempt Social Security, if we exempt defense, then everything else will have to be cut 22 percent. And the so-called Contract With America calls for tax cuts which, if they are enacted, will increase the across-the-board cut to 30 percent—30 percent.

This next chart to my left shows the Federal budget for fiscal year 1995. That is all we have to go on as of now. The President will send us up his proposed budget next week. In the upper left-hand corner, we see that total spending for 1995 equals $1,531 billion; in other words, $1.531 trillion. Of that amount, 22 percent, or $334 billion, will be spent on Social Security; 18 percent, or $270 billion, will be spent this fiscal year on defense; net interest on the national debt will take up $235 billion, or 15 percent of the whole budget; Medicare will take up 11 percent, or $176 billion; State and local grants will take up $231 billion, or 15 percent of the total; and all other Federal spending in fiscal year 1995 will equal $286 billion, or 19 percent of the Federal budget.

What is it that could be cut from this and future budgets if this constitutional amendment requiring a balanced budget is put in place? Well, as I have said, there is strong interest in exempting Social Security—they want to exempt Social Security—so let us take that slice out of the pie. Then, the so called Contract With America says we cannot cut defense, so let us take that slice out of the pie. Then, as we all know, we cannot cut the interest on the debt—we all agree on that—so out comes that piece of the pie. So, lo and behold, what do we have left? All that we have left to cut are: Medicare, State and local grants, and the rest of the Federal Government, all of which total less than half of the Federal budget. We have, therefore, exempted 55 percent of the budget from cuts—Social Security at 22 percent, plus defense at 18 percent, plus net interest at 15 percent—and the $1.5 trillion in budget cuts would have to come from this remaining 45 percent of the budget.

That is all there is. There "ain't" any more.

Now, let us look at what this means when we have to take the cuts all from this remaining 45 percent of the budget. Let us take a look at what this means.

How do the States get stuck? How do the States get stuck?

This chart to my left sets out the Federal spending that will be subject to cuts, if one excludes Social Security, defense, and net interest. For fiscal year 1995, the total spending that would be subject to cuts is $693 billion.

This pie represents Federal spending subject to cuts, once defense is taken off, once Social Security is taken off, if it is, and once interest is taken off the table, which it has not been taken off the table. All three of these categories of Federal spending shown on this pie chart will have to be cut across-the-board by 30 percent—by 30 percent—in the year 2002 if we exempt Social Security, defense, and net interest from any cuts and if we enact the tax cuts being called for in the so-called Contract With America. This includes unemployment benefits, veterans' benefits, education programs, the FBI and the Justice Department, including prison construction and operations, the judiciary and the courts, infrastructure, health programs, safety programs, health and safety programs for our food and water, aviation safety—including air traffic control—civilian and military retirement, all agriculture programs—all of them—national parks—national parks, I say that to the West in particular—highways, transit, environmental cleanup, NASA, research and development, the NIH, and on and on and on. If we want to exclude any of the spending shown on the pie chart, then everything else will have to suffer an even larger cut than 30 percent. If we exclude Medicare, for example, then the cut that would be required for everything else would rise from 30 percent to a cut of 46 percent. Can you imagine the devastation this would cause throughout the Nation?

Now, let us examine the effects that this level of cuts would have on the States. This is the forum of the States. Let us examine the effects that the cuts would have on the States.

Which States get the sharpest stick by the knife? Which States get the sharpest stick by the knife? And that is some knife, I want to tell you, and they will know when they are stuck with that knife. They are going to bleed.

This chart sets out the total Federal dollars that will go to the top 20 States. I have set aside that chart for the moment. But nevertheless, it would set out the total Federal dollars that would go to the top 20 States in 1995 for 149 grant programs.

The top prize goes to the State of New York, which will receive $22,261,068,000 in Federal grants. That is the total amount of dollars in Federal grants that the State of New York will receive this year. That is 10.8 percent of the total grants for all States.

Second prize goes to California. That State will receive this year $21,661,615,000, or 10.5 percent of the total Federal grants to States for 1995.

Third prize goes to Texas, $12,292,605,000, or 5.9 percent of the total. And these top three are followed by Pennsylvania, $8,232,634,000, or 4 percent; Florida, No. 5, $8,067,751,000, or 3.9 percent.

Ohio is No. 6, with $7,837,289,000, or 3.8 percent. Illinois is next, $6,858,553,000, or 3.3 percent of the total. Michigan, $6,745,979,000, or 3.3 percent; New Jersey, $5,523,542,000, or 2.7 percent; Massachusetts with $5,400,302,000, or 2.6 percent; Louisiana, $5,300,141,000, or 2.6 percent; North Carolina, $4,741,842,000, or 2.3 percent; Georgia, $4,638,039,000, or 2.2 percent; Indiana, $3,945,534,000, or 1.9 percent; Tennessee, $3,889,558,000, or 1.9 percent; Washington, $3,517,731,000, or 1.7 percent; Wisconsin, $3,407,554,000, or 1.6 percent; Missouri, $3,381,960,000, or 1.6 percent; Minnesota, $3,010,222,000, or 1.5 percent; Kentucky, $3,004,724,000, or 1.5 percent.

These are the top 20 States in terms of receiving Federal grants in this fiscal year. I hope that these 20 States—and all other States—recognize that these grants are going to be cut dramatically in the coming years if the balanced budget amendment goes into

effect, and those cuts will affect people. Those cuts will affect people in every State throughout the land.

Mr. President, I ask unanimous consent that the table to which I have just referred be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FEDERAL DOLLARS TO THE STATES—FISCAL YEAR 1995
FUNDING FOR 149 GRANT PROGRAMS

State	Amount	Percent of total
New York	$22,261,068,000	10.8
California	21,661,615,000	10.5
Texas	12,292,605,000	5.9
Pennsylvania	8,232,634,000	4.0
Florida	8,067,751,000	3.9
Ohio	7,837,289,000	3.8
Illinois	6,858,553,000	3.3
Michigan	6,745,979,000	3.3
New Jersey	5,523,542,000	2.7
Massachusetts	5,400,302,000	2.6
Louisiana	5,300,141,000	2.6
North Carolina	4,741,842,000	2.3
Georgia	4,638,039,000	2.2
Indiana	3,945,534,000	1.9
Tennessee	3,889,558,000	1.9
Washington	3,517,731,000	1.7
Wisconsin	3,407,554,000	1.6
Missouri	3,381,960,000	1.6
Minnesota	3,010,222,000	1.5
Kentucky	3,004,724,000	1.5

Source: OMB, Budget Information for States—Fiscal Year 1995.

Mr. BYRD. Mr. President, now let us explore what these Federal grants to the States consist of. What do the States use this money for? What do the cuts mean to you, Mr. and Mrs. America, and your children? What do the cuts mean to you and your children?

This next chart sets out what these grants to State and local governments consist of in fiscal year 1995, "Grants to State and Local Governments in Fiscal Year 1995." The largest amount goes to the States for Medicaid—$102 billion, or 44 percent of the total. Then, going counterclockwise on the chart, we see that transportation grants to the States equal $24 billion, or 10 percent of the total. Next, we have income security programs which total $54 billion in grants to the States for such things as AFDC, Section 8 and other housing, school breakfast and lunch programs, and WIC. Then we come to grants for education, training, employment, and social services, which total $35 billion in fiscal year 1995. Finally, there is the category designated "all other," which equals $16 billion, or 7 percent of the total. This category includes grants to the States for community development, health, water infrastructure, disaster assistance, justice assistance, including law enforcement programs such as "cops on the beat", and the Federal payment to the District of Columbia.

A large part of all of these programs will obviously have to be picked up by the State and local governments if the balanced budget amendment goes into effect. What will that mean to the budgets of the various States?

I say to the State senators out there—and I once was one—I say to the members of the House of Delegates in West Virginia and the lower houses in other States—and I was once one of those members—what will that mean to your budgets, the budgets of the various States? Will Governors and State legislators have to increase State taxes in order to continue to provide adequate services for these programs that we have been talking about here? According to the Treasury Department they surely—surely—will.

They will have to increase State taxes in order to continue to provide adequate services for these programs.

The chart to my left was prepared based on information provided by the U.S. Treasury Department to the National Governors Association. It is the Treasury Department's opinion that State taxes would have to be raised by the percentages shown on this chart if States are to fully replace the reductions in Federal grants that will occur if the balanced budget amendment goes into effect under the terms I have previously stated.

State legislators in Alabama would have to increase their State taxes by 16.4 percent; Alaska, 9.8 percent; Arizona, 10.4 percent; Arkansas, 16.5 percent; California, 9.2 percent; Colorado, 11.8 percent; Connecticut, 11.2 percent; Delaware, 7.2 percent; District of Columbia, Lord knows how much, but the Treasury Department says 20.4 percent; Florida, 10.2 percent; Georgia, 12 percent; Hawaii, 6.8 percent; Idaho, 9.9 percent; Illinois, 11.6 percent; Indiana, 13.8 percent; Iowa, 10.9 percent; Kansas, 13 percent; Kentucky, 14.5 percent; Louisiana, 27.8 percent; Maine, 17.5 percent; Maryland, 9.9 percent; Massachusetts, 12.6 percent; Michigan, 13.2 percent; Minnesota, 9.4 percent; Mississippi, 20.8 percent; Missouri, 15.5 percent; Montana, 19.8 percent—up go your taxes; Nebraska, 13.3 percent; Nevada, 6.2 percent; New Hampshire, 17.6 percent; New Jersey, 12.7 percent; New Mexico, 12.9 percent; New York, 17.4 percent; North Carolina, the State in which I was born and whose motto is "to be rather than to seem, 11.1 percent; North Dakota, 19.7 percent; Ohio, 14.4 percent; Oklahoma, 12.4 percent; Oregon, 12.2 percent; Pennsylvania, 12.7 percent; Rhode Island, 21.4 percent; South Carolina, 14.3 percent; South Dakota, 24.7 percent; Tennessee, 19.5 percent; Texas, 14 percent; Utah, 11.4 percent; Vermont, 17.4 percent; Virginia, 8.2 percent; Washington, 8.4 percent; West Virginia, 20.6 percent; Wisconsin, 10.3 percent; and Wyoming, 18.7 percent.

Mr. President, I ask unanimous consent that the table to which I referred showing these tax increases be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TAX INCREASES TO OFFSET SPENDING CUTS

State	Required State tax increase (percent)
Alabama	16.4
Alaska	9.8
Arizona	10.4
Arkansas	16.5
California	9.2
Colorado	11.8
Connecticut	11.2
Delaware	7.2
District of Columbia	20.4
Florida	10.2
Georgia	12.0
Hawaii	6.8
Idaho	9.9
Illinois	11.6
Indiana	13.8
Iowa	10.9
Kansas	13.0
Kentucky	14.5
Louisiana	27.8
Maine	17.5
Maryland	9.9
Massachusetts	12.6
Michigan	13.2
Minnesota	9.4
Mississippi	20.8
Missouri	15.5
Montana	19.8
Nebraska	13.3
Nevada	6.2
New Hampshire	17.6
New Jersey	12.7
New Mexico	12.9
New York	17.4
North Carolina	11.1
North Dakota	19.7
Ohio	14.4
Oklahoma	12.4
Oregon	12.2
Pennsylvania	12.7
Rhode Island	21.4
South Carolina	14.3
South Dakota	24.7
Tennessee	19.5
Texas	14.0
Utah	11.4
Vermont	17.4
Virginia	8.2
Washington	8.4
West Virginia	20.6
Wisconsin	10.3
Wyoming	18.7

Source: Department of the Treasury, Jan. 12, 1995.

Mr. BYRD. Mr. President, I hope that my remarks today will have helped to shed light on the devastation which will take place if we do not muster up the courage to say no to the balanced budget amendment now before the Senate. It does not make any difference, Mr. President, if you have a vocabulary of 10,000 words, make it 20,000, make it 30,000. If you cannot say no, then all of that vast vocabulary will not amount to a great deal. We have been elected by the people to come here and to work hard to develop and enact legislation that is in their best interest—not in ours as politicians, not what will get us votes in the next election or the next one or the next one, but in the best interest of the people. Surely we can screw up our courage to the sticking place to stay the course and continue to cut the Federal deficit in responsible doses. We cannot afford to risk the economic security of this Nation by passing this unseen pig in a very large poke.

I remind the Governors, Mr. President, that the devastation to the States, as shown through these charts, is going to happen irrespective of the recently passed, highly touted unfunded mandates legislation. Congress will brush that aside. It only takes a majority vote. That is not binding on

the next Congress, not even binding on this one, if Congress chooses to brush it aside. That bill is not going to protect one single State from the costs and responsibility of dealing with their problem absent Federal dollars. If State officials are leaning on the weak reed, the flimsy reed of the unfunded mandates bill, they are badly mistaken. It will be as a straw in a hurricane; as a leaky boat in a tidal wave.

I say to the American people, no one—no one, no one—is going to escape the wrath of the balanced budget mandate.

We cannot run to the mountains and pray that the rocks will fall upon us, put us out of our misery. No one can come to this floor and, in all honesty, tell the people of America that they will escape real pain under the amendment.

Finally, I remind my colleagues that the American people have a right to know what is going to happen to them as a result of the balanced budget amendment, if it is riveted in the Constitution.

A new poll, in fact, underscores the people's demand to know what will happen to them at this time shows overwhelming public support for the "right to know."

This poll, released just this morning, Mr. and Mrs. America, my colleagues on the right and on the left, this poll released just this morning by the American Association of Retired Persons and conducted by the Wirthlin Group, shows that support for the "right to know" cuts across party lines: 68 percent of the Republicans, 77 percent of the Democrats, and 83 percent of the independents want to know what will be cut. And they want to know what will be cut before Congress passes a constitutional amendment to balance the budget. Not afterwards. Before.

In addition, 85 percent agree that Social Security should be exempted from the amendment. But under House Joint Resolution 1, Social Security is not exempt. It is on the chopping block no matter what anyone says.

If this amendment is passed, what will Senators say to their constituents? How will Senators explain the fact that, despite the public's desire to know beforehand what cuts will be made, Senators took it upon themselves to substitute their wills, our wills for the will of the people out there. Talk about arrogance. That is the height of arrogance.

So I implore my colleagues to heed the wisdom of the people. Let us tell the American public what is involved here. Tell them and tell them now. That is what the people in the poll want to know. Let us not continue this vow of silence. Let us not close out the sunshine. Let us not pull the shutters on the windows and shut out the scrutiny of the public.

Mr. President, Shakespeare, in "Timon of Athens", said it best:

> The devil knew not what he did when he made man politic; he crossed himself by't: and I cannot think but, in the end, the villainies of man will set him clear.

Chief Justice Marshall in McCulloch versus Maryland said:

> We must never forget, that it is a Constitution we are expounding.

Mr. President, if I might add my own modest footnote, we must not forget that it is a Constitution that we are amending.

Mr. President, I am prepared to yield the floor unless a Senator wishes to ask me a question.

I yield the floor.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Utah.

Mr. HATCH. Mr. President, there are very few people in this body who have more respect, in fact I do not think there is anybody who has more respect for the distinguished Senator from West Virginia than I have. I learned early in my Senate career that he is very, very formidable. And he is, I think, one of the people who is the most dedicated to this body and to what the Senate means in the United States of America.

I might mention that I believe that he is as dedicated to the Constitution as anybody I know. And I also believe that he is, without question, without peer with regard to Senate rules and procedure. I have had personal experience of being on the wrong side of the distinguished Senator from West Virginia and I admire him and care a great deal for him. I do not know when I have heard a more interesting set of remarks than he has just given to the Senate this day. I think we should all pay heed to what he has said. I think his comments are important.

But I also think the Senator is wrong. If I did not believe that I would not be out here fighting for a balanced budget amendment. He knows that. And he knows that I believe this very deeply, as he believes his position. And I respect him for his commitment to his position.

He has taken a goodly amount of time, but not enough, perhaps, to explain his position. I think it is critical that the American people see the two sides of this subject and I do not know of anyone in the body who could have articulated his side any better.

I think a lot of this great Senator and, when histories of the Senate are written to include his time here, certainly he will be shown to have played a pivotal and very important role in the history of this institution.

But let me just see if I can respond to some of the things my friend and colleague has said. First of all, the American people are not stupid. They know that this Federal Government is a money eating machine. They know that billions, hundreds of billions of dollars are eaten up right here in Washington, without much care for the American taxpayers.

They also know that we have built the most gargantuan bureaucracy in the history of the world. Keep in mind, our Founding Fathers wanted to have a central Government that was limited, not all-embracing; where the people in the States do not just look to the Federal Government to solve all their problems, but where they solve them for themselves for the most part. The Federal Government as originally intended was to be a limited Government to take care of our national security interests, to do the few commerce things that should be done by the Federal Government: To watch over the public welfare.

I think our Founding Fathers would be absolutely devastated if they saw the state of the Federal Government today. If they saw the domination of the States by the Federal Government that we have going on today, if they saw the way the Federal Government soaks up the public's money today, if they knew—as some argue very eloquently, maybe not as eloquently as my friend from West Virginia—that of all the public welfare money that we spend through the Federal Government, this wonderful stuff we do for the States—when it comes to welfare only about 28 percent of every dollar gets ultimately to the people who need it.

We in the Federal Government act like we know more about what people need than they do, so we study things, we build bureaucracies, we hire sociologists and Ph.D.'s and other specialists and experts and we use up the people's money here like it is going out of style while the people who need it—the people we are supposedly helping—get 28 percent of it. That is what is wrong with a bloated Federal Government. That is what the Founding Fathers were trying to guard against. Avoiding this was the work of Madison and Jefferson and Washington.

I might have a number of others who are maybe not quite as well known, but certainly well known by my friend from West Virginia, who is a great scholar of history, and especially the history of this country. We know the Federal Government right now means a lot to the States because they cannot make a move without its consent.

We also know that if we pass a balanced budget amendment, every dollar will become more valuable. If we pass a balanced budget amendment that stops this continual drop into the abyss of deficit spending, which we have been doing now for 60 years, certainly 26 of the last years in unbalanced budgets, and in recent years because of Great Society programs, these reasonable—reasonable is not the word—this overwhelming desire by everybody to do everything good for everybody in our society.

We now have deficits that, after the turn of the century, are going to be over $300 billion a year, and the interest against the national debt has now become the second highest item in the Federal budget. And it is going up exponentially with compound interest. We all understand compound interest, do we not? The interest just starts to multiply like you cannot believe. If we do not get control over the spending of this all-eating, voracious, money-grubbing Federal Government, if we do not bring it to heel, then all of these gifts and grants to the States that the distinguished Senator has so eloquently spoken about are not going to be worth anything anyway, assuming that we can afford to make any more of them. They are going to look to us and say, "You people did it to us. You did not have the guts to balance the budget." Let me just say this about my friend from West Virginia. He has the guts. I believe in him with regard to his comments that he would balance the budget. He would find ways to do it. I think he would do everything in his power to. I believe that. I have faith that he would do that.

But when he was majority leader, he was not able to do that, not because he did not try. He could not. People in both parties spent us right down the drain. He tried as President pro tempore, certainly one of the most dignified and knowledgeable people in this body, if not the most dignified and knowledgeable. He could not do it then, and neither could I. Neither could the Senator from Illinois. Neither could a lot of us who want to get this tremendously expensive Federal Government under control.

We have reached a point really of no return, that if we do not do what is right now, all this money, these hundreds of billions, trillions of dollars that the distinguished Senator from West Virginia is talking about that go to the States over the years are not going to be worth anything. Then what happens to those who need health care? What happens to women and children who need women's, infants', and children's programs? What happens to food stamps? Will we be able to pay for them? If so, are they going to be worth anything? We know a lot of them are being picked up by the Mafia in exchange for drugs and booze, and then they make a lot of money cashing in those food stamps at a tremendous cost to the American taxpayer.

Let me tell you something. I enjoyed the comments of the distinguished Senator about magic potions and elixirs and snake oil. I know a lot about those things because I have been watching the Congress for these last 18 years as I have sat here. You talk about snake oil. You talk about magic potions and elixirs. You can find them here every day in budgetary matters because Congress is not willing to do anything about deficits and spending.

I have heard people time after time say this, and they are courageous in standing up here and saying we have to do it; we have to get control of this thing, and we have to balance the budget, and it stops here with us. The problem is for all of my 19 years, it has never stopped once. It is not going to, either, without a mechanism in the Constitution that encourages us to do it.

By the way, this balanced budget amendment does not cut all of these things out. It does not say that we have to balance the budget. We do not have to balance the budget under this amendment if we do not want to. The only difference is instead of playing games here on the floor of the U.S. Senate and in the House with voice votes and a lot of ways of hiding so the American people do not know who is voting to spend all of this money, we have to vote if we do not want to balance the budget. If we are going to have a deficit, we are going to have to give a three-fifths vote to do it. I am not saying that is insurmountable. I have seen debt ceilings lift where we did not need a three-fifths vote, not many. But from this point on, I have to say it will be money in the bank for the American people because they will know who did it to them from this point on, if this amendment is adopted and ratified.

By the way, if we want the President's solution for deficit reduction, which is to increase taxes like he did last year, with the largest tax increase in history, which some have praised here on the floor during this debate, by gosh, we can do that. All we have to have to do that is a constitutional majority here on the floor of the Senate and on the floor of the House.

What does that mean? If we have 51 Senators here, we have a quorum. We could vote on anything, by and large, or should I say most anything, by a majority vote. We could have 26 votes for and 25 against and, by gosh, it passes. With a constitutional majority, you cannot do that. It is not a mere majority of those voting. It is a majority of the whole number of both Houses. You have to have 51 votes in the Senate, 218 in the House.

Mr. BUMPERS. Will the Senator yield for a question?

Mr. HATCH. Sure.

Mr. BUMPERS. I did not utter one word yesterday on the balanced budget amendment. But I want to serve notice that I am going to.

Mr. HATCH. Does the Senator want to do that now? I will be happy to conclude this. I do want to make a few more points.

Mr. BUMPERS. I really apologize for interrupting the Senator. I do want to say I am not so concerned about the requirement of a constitutional 60 percent, three-fifths vote in the Senate to balance the budget. That will almost certainly happen.

I had my staff do a study of all the appropriations bills for fiscal year 1995. Last year, the average vote for all of the 13 appropriations bills was 84.5 votes in the Senate. So I expect it is not going to be too difficult to get 60 votes to override the amendment. But my concern is not that. My concern is the potential damage that can be done by 41 obstreperous ideologues who care more about their ideology than they do the future of the country.

Let us assume we are in a recession headed for a depression, and every economist in the country tells us the only way in the world you can head off massive unemployment and massive social and cultural disaster is for the Government to create job-producing projects. And 41 Senators, far fewer than a majority, can say, "We don't care what the economists said. We are for a balanced budget. And we are not going to stand for allowing 60 Senators to unbalance this budget." So the country goes right into the tank.

That is my real concern. I am interested in the reaction of the Senator.

Mr. HATCH. That is a good question, and I think one deserving of an answer.

First of all, you will never get all the economists to say the Government has to help us solve the employment problem or that make-work jobs are going to get us there.

Mr. BUMPERS. Again, just so we make this point, I am one of the people in this body, along with the distinguished Senator from West Virginia, who remembers well the Depression. I was just a child. We were very poor. There was no snob value in it. Everybody in town was poor. But I can remember.

The reason I still believe in Government is that the Government did some good things and created jobs at the same time. They helped us pave our streets where we choked to death on dust and mud. We lived a block from Main Street, and you could not get there when it rained. I can remember when we got an indoor john for the first time. We were rich. Before that we had a "two-holer" out back. Most people just had a "one-holer." We got running water, clean water. People quit having typhoid fever and the farmers got low-interest loans. As a matter of fact, the Government built houses for them.

I could go on about rural electrification, which saved my father's business. He was a small hardware merchant. As a result of rural electrification he was able to sell refrigerators, radios, ranges, all of those things.

So I think Government does some things well. And we could face a time like the Depression again if we have 41 obstreperous Senators saying, "No; that does not fit with my philosophy."

The distinguished Presiding Officer comes from a State where we built TVA power, and the people of Tennessee enjoy very low rates as a result

of TVA power. I promise you, he does not think Government is all bad, either.

All I am saying is, if those things happen—and they most certainly will at some point—what happens? I do not believe in Government by minority rule. That is what we will have.

Mr. HATCH. Neither do I.

Mr. SIMON addressed the Chair.

Mr. BYRD. Mr. President, may I ask the Senator to yield? He mentioned my name.

Mr. HATCH. Let me yield first to the distinguished Senator from Illinois, and then I will be happy to yield.

Mr. SIMON. Yes. I would like to respond to my friend from Arkansas. First of all, I believe that Government can do very good things. I believe it more than my friend from Utah does. I am for a WPA program right now. I put in the RECORD yesterday an article by a distinguished economist, as well as a couple of other things by other economists, saying that the evidence now is that because of the heavy debt we have, we simply are not responding.

You can remember when the President of the United States, when he first came in, asked us for $15 billion for a jobs program, but because of the deficit, we could not do it. Fred Bertston, a former Assistant Secretary of the Treasury, whom you know, has said, if you had asked him 10 years ago would he be for a constitutional amendment requiring a balanced budget, he would have said absolutely not. He says, "Now I think it is essential." The only way he says you are going to have a response to recessions that is adequate is to build up about a 2-percent surplus, give the President the authority to respond with certain specific programs when unemployment goes above a certain level in various States.

I would say, finally, to my friend from Arkansas, where we have responded is in the extension of unemployment compensation. I went back over several decades when we have extended unemployment compensation. I could find only one time—in 1982—when we did not have more than 60 votes to respond to that. So the reality is that we are frozen by this huge deficit from responding adequately now. We can build in a system where we can respond much more adequately to recessions than we now do.

Mr. HATCH. If I could add something to that. I agree with the distinguished Senator from Illinois. I am not fighting with the Senator from Arkansas. There is no question, the Government can play a role. Where you have valid social programs, I do not think you would have a rough time getting a three-fifths vote.

We are talking about a bigger picture than that. The force of this amendment is that you have to vote, you have to vote. You are going to have to have a three-fifths vote to increase the deficit as a whole. You are going to have to make priority choices among competing programs. I remember the Depression, too. I was born and we lost our home right after I was born. We also did not have indoor facilities for many of the early years of my life. It has been said of me that I never pass a bathroom. Having to walk 100 yards in the mud was no fun for me, and I did that all too often.

But the fact of the matter is that we are talking about a much bigger picture here than any single program. We do not even have to balance the budget under this amendment, but it does point us in the right direction, it does give incentives, and it makes us vote on whether we are going to have deficit spending or whether we are going to increase taxes or whether we are going to do both. I am not saying we cannot do both. I think under strenuous times, such as war, severe depression, or recession, we are going to get the votes.

I also believe if there were obstreperous minorities of 41, they are going to find a rough time at the ballot box if that is what happens. It is the same with those who always want to spend regardless of whether we have the money. They can do it if they get control of the Congress and if they have a constitutional majority vote to raise taxes, but they are going to pay a price at the polls.

Those are just some of the values of this amendment. I said I would yield to my dear friend and colleague from West Virginia. I did not mean to say so much before I yielded.

I yield to the Senator from West Virginia.

Mr. BYRD. I thank the Senator. He always treats me with the utmost courtesy.

Mr. HATCH. Deservedly so.

Mr. BYRD. I heard the Senator say, I believe, that this amendment does not require that the budget needs to be balanced.

Mr. HATCH. It is not required.

Mr. BYRD. This amendment is being sold to the American people as a way to balance the budget. Is that not a bit misleading?

Mr. HATCH. Not at all, because if we required you to balance the budget every year, that would fly in the face of the right to do something when we have exigent and difficult times.

The fact of the matter is, what this amendment always represented itself to be, and what it always will be, is an amendment that says, hey, Members of Congress, the game is over. You are going to have to vote if you want to increase the deficit. You are going to have to vote if you want to increase taxes. Both votes are more significant than a majority vote. And you are going to have to have a three-fifths vote. If you want to increase the deficit, you are going to have to have a constitutional majority to increase taxes.

My personal belief is that it will be much easier to get that three-fifths vote to increase the deficit than to get a constitutional majority to increase taxes. I have no doubt in my mind about that. But both of them point us in the right direction by saying, look, we have to work on making priority choices. We just cannot fund everything anymore, and anybody with any modicum of sense knows that. We cannot fund everything anymore. We have to make priority choices and keep the best programs we can, and we might have to wait for a few years to get some of these less important programs.

Mr. BYRD. I thank the Senator. My friend, the Senator from Utah, is now telling the Senate and the American people that this amendment does not require a balanced budget.

Mr. HATCH. That is right.

Mr. BYRD. That is precisely what this amendment is being sold as. The American people are being told—and I have heard it said by many of the proponents on the floor this week already—that this is the way to balance the budget. "We have to have something to force us to balance the budget."

The distinguished Senator from Utah is saying that this amendment does not require a balanced budget. I think we ought to tell the American people that.

Mr. HATCH. I have.

Mr. BYRD. I read this in the first section: "Total outlays for any fiscal year shall not exceed total receipts for that fiscal year."

I know there are some loopholes whereby we might vote by three-fifths of a majority of each House, about which I will express myself at another time. But this amendment, we are now being told, does not require a balanced budget.

Let me ask the Senator this: He also said in his statement that we—meaning the Congress—are unwilling to do anything about it—meaning these massive deficits; we are unwilling to take the courageous action that is needed to bring them under control. We are unwilling to do it.

Mr. President, I remind my friend that we in the Congress were willing in 1990, under the agreement that was achieved at the so-called budget summit, where the representatives of the Bush administration sat, and the leadership on both sides of the aisle in this body and the leadership on both sides of the aisle in the other body were present. We agreed on a package that would reduce the deficits over a period of 5 years by something like $482 billion. And then in 1993, working with President Clinton, the Democratic Congress enacted legislation that, over a period of 5 years, reduces the budget deficit by $432 billion. I know it really cuts, because we froze domestic discretionary spending, and because of that package, we are presently operating

under a freeze. So we really cut discretionary spending, which includes both defense and domestic.

Mr. President, I say to my friend that when the time came to vote on that package, where was the courage? The Congress, under Democratic control in both Houses, demonstrated the courage to do something about it. We enacted that package, cutting $432 billion over a period of 5 years. We enacted that package, but without the help of a single vote from my friend's side of the aisle. Not one Republican Senator from these 50 States, not one Republican House Member from these 50 States, screwed up the courage to vote for that package, which cuts deficits, over a period of 5 years, by $432 billion.

And so, it was the Democrats in the Senate and in the House who demonstrated a willingness—I refer to the Senator's statement, when he said we are unwilling to do anything about it—it was the Democratic Senators and Democratic House Members under Democratic leadership and working with a Democratic President who demonstrated a willingness to cast a hard vote and to make some hard choices in the 1993 reconciliation bill.

So let it not be said that Congress does not have the courage to do it. I say why do we not do it again? Why do we not do it, I say to my friend? Why do we not do it again?

If the proponents of this amendment have—pardon me for imposing on the time; I will just say this and I will sit down—but if the proponents of this amendment have two-thirds of the vote to adopt this constitutional amendment in the House, and two-thirds of the vote in the Senate to adopt this constitutional amendment, meaning they have 290 votes in the House and 67 votes in the Senate, if they have the votes to adopt this constitutional amendment, why do they not get on with passing bills now? It only takes a majority of each body to pass bills, not two-thirds. Why do we not get on with it now? Why wait 7 years?

Mr. HATCH. Mr. President, I think that is a legitimate question. But keep in mind, both the 1990 bill and the 1993 bill were tax increase bills. And there is only so many times you can increase taxes on the American people.

What this amendment does is—yes, it does not require a balanced budget—it just says that it should be the rule and we have to work to get there. And if we do not want to get there, we are going to have to vote not to and the American people will know who did it to them. That is the difference. It will take a supermajority vote of three-fifths, if you want to increase spending beyond our revenues, and a constitutional majority, no less than 51 in the Senate and no less than 218 in the House, if you want to increase taxes.

And I have to tell you, one of the reasons we believe this has to happen is because for the last 26 years we have not reached a balanced budget with all the tax increases we have had.

I remember back in 1982, when we increased taxes under Reagan, on the assumption that for every dollar in increased taxes we get $2 in deficit reduction. We increased taxes and we spent $1.32 more for every dollar, and now we are spending almost $1.90 more for every dollar we increased in taxes.

Now I know the distinguished Senator from West Virginia, if he had his way would be able to do this, to balance the budget, and I would help him; at least I would try. I might not want to increase taxes to do it, but I would help him balance the budget.

But, I have to say, he is singular in getting it done. Now, I respect him. And I have no qualms about saying I think he would do that if he could. If he was a dictator or even a Talleyrand, he might get it done. But he is one of 100, in fact, one of 535. And it has not been done. And it is not going to be done, not without some mechanism in the Constitution to give us the incentives to do it.

Now, does this amendment guarantee we are going to go to a balanced budget? I think over time it does, because I think the American people are going to know who is doing it to them because we will be standing up and voting, rather than playing games around here.

Does the Senator have a question?

Mr. SIMON. Mr. President, I would simply like to respond briefly to my friend from West Virginia—and he is my friend and I have great respect for him.

Mr. HATCH. Mine, too.

Mr. SIMON. In what he has had to say.

Let me, in response to his last question to my colleague from Utah, say my colleague from Utah and I do not agree on how we ought to balance the budget. We have some strong philosophical differences, as Senator BYRD knows. We do agree, however, that we have to do it, and we need the discipline of a constitutional amendment to force us to do it.

I would differ also with respect to my friend when he talks about the heavy tax burden. I am not suggesting that we are going to solve this primarily through taxes. I do not think that is the case. I would add, of the 24 major industrial nations we are 24th in the percentage of our income that goes for taxation. We do not have a value-added tax. Most of the countries in Western Europe have that. We have the lowest tax on a gallon of gasoline of any country outside of Saudi Arabia; the lowest taxes on a package of cigarettes, and you could go on and mention other things. But, having said that, there is no question we are going to primarily do this through restraining growth in spending.

And the Senator is right, I say to Senator BYRD, when he says we are going to have to make hard choices.

But it is very interesting—and we were just given at the Democratic caucus today a poll by the Wirthlin group on the balanced budget amendment—79 percent of the people favor a balanced budget amendment and 53 percent of them believe they are going to have to sacrifice in order to achieve it. They are willing to, the American public is willing to.

I take the choice of sacrificing a little bit so my three grandchildren can have a better future. And I do not have a difficult time making that choice at all, and I do not think the American people do.

Mr. President, I see my colleague on his feet, and I am pleased to yield to my distinguished colleague.

Mr. HATCH. I believe I still have the floor.

Mr. SIMON. I am sorry. I thought my colleague had yielded the floor.

Mr. HATCH. No, I am still retaining my right to the floor, but I am happy to yield to my friend.

Mr. BYRD. I am trying to remember precisely how the Senator said it when he spoke of his children and grandchildren.

Mr. SIMON. Mr. President, I said what I am required to do, if we pass this, is to sacrifice a little bit myself so they can have a better future.

The GAO says if we continue down the present path we are going to have a gradual declining standard of living. But if we, by the end of the century or 2001 in their original study, now it will be postponed to 2002, have a balanced budget by the year 2020, the average American will have, in inflation adjusted terms, an increase in the standard of living of 36 percent. That is a huge increase for those three grandchildren.

Mr. BYRD. Will the Senator yield?

Mr. HATCH. I am happy to yield.

Mr. BYRD. I ask unanimous consent that I may engage in this colloquy, with the Senator from Utah retaining his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the distinguished Senator from Illinois has made a startling revelation. And I love him. I think he is Mr. Fair and Square around here, and I believe he is Mr. Fair and Square. He always has a smiling face and a shining countenance and that upbeat spirit about him that is so infectious. And I am going to miss him.

Mr. SIMON. I can see how you got elected in West Virginia, Senator BYRD.

Mr. BYRD. Well, that goes back a long way, I say to the Senator.

I believe he said that, "If this amendment is adopted, then I would be willing to sacrifice so that my children and grandchildren can have a better future."

Is he also saying that if this amendment is not adopted, he is unwilling to sacrifice for his children and grandchildren?

I say, Mr. President, we need to sacrifice for our children and grandchildren, whether or not this amendment is adopted. And we do not need an additional bit of print in the Constitution to fortify us with the courage and the discipline and the will to take a strong stand now in order to sacrifice for our country or our children and our grandchildren.

Mr. President, if I do not have the courage now to take a strong stand, if I am unwilling now to take a strong stand on behalf of my children and grandchildren and their children, there is no amount of ink that can put into that Constitution that will give me any more backbone, any more spine, any more courage, any more strength of will than I already have. It just cannot be done. I say that with all due respect to my friend.

He may wish to comment on my remarks.

I ask that the Senator from Utah yield for that purpose.

Mr. HATCH. I am happy to yield for that purpose.

Mr. SIMON. I am willing to sacrifice right now, and I know the Senator from West Virginia and the Senator from Utah are, too. Unfortunately, we have 26 years in a row of history that, as a body, we have rarely been willing to do it.

Oh, in 1993, you and I voted for what Senator BOB KERREY called a modest step toward reducing the deficit. I was pleased to do that.

Mr. BYRD. Modest enough. It did not get a single vote on the other side of the aisle in either House.

Mr. SIMON. The Senator is correct. Economists are virtually unanimous in saying that that was a good thing. It is to the credit of President Clinton that we did that.

I think history clearly shows we need outside discipline. We can even say it is a little more print in the paper of the Constitution. But as I said yesterday—and I think our Senator from Tennessee was presiding then, too—I said all of us went right over there and we took but one oath, to defend the Constitution. That has meaning for Senators. And I think that is true for any Senator. I think we are going to live by that.

Mr. BYRD. Mr. President, before the Senator adds those points, and if the Senator from Utah is willing to yield, the distinguished Senator referred to the oath. I have taken the oath 13 times in 48 years: In the West Virginia House of Delegates, the West Virginia Senate, the United States House of Representatives and in the United States Senate. I know what it means.

Mr. President, we should be willing to bite the bullet now. We have not been 26 years in the building of this colossal—these deficits to the extent that they are triple-digit billion dollar deficits. For 182 years we ran up something like $1 trillion debt.

Then when Mr. Reagan came into office—he was in office 8 years, Mr. Bush 4 years—we more than tripled that debt. And as my grandson used to say, "You know what," I helped Mr. Reagan to triple that debt. Because I voted for his tax cut in 1981. And I have regretted it. I voted for his massive military buildup. I urged upon him that he could not balance the budget, mount such a massive defense buildup, and cut taxes in 3 successive years, 5 percent the first year, 10 percent the next year and 10 percent the third year. I urged upon him that he wait until after the first year or after the second year.

And as the minority leader at that time, I offered an amendment on this floor to require that we not have 3 years of successive tax cuts all in one bill; that, instead, we have 2 years and then wait and see what was happening to the economy, the deficits and so on, before we institute another, the third tax cut. But President Reagan would not listen. I voted with Mr. Reagan. I supported him on that tax cut because many West Virginians told me to give him a chance. I supported him on the defense buildup.

As to those triple-digit billion-dollar deficits, we never had one before Mr. Reagan was in office. Never did we have one triple-digit billion-dollar deficit. Never. They all started under his administration. I know a lot of people blame Congress for the deficits, but I will show sometime during the next few days that going back 45 years the total accumulated appropriations over the period of 45 years under the various Presidents, the accumulated appropriations are less than the accumulated budget requests submitted by those Presidents to the Congresses during that period of time. The figures will not lie. Liars can figure, but figures will not lie. The laws of mathematics do not change, whether it is the old math or the new math.

I say to my friend, this talk about needing something in the Constitution to force Members to discipline Members, to force Members to take the positions to make the tough votes and the tough choices. Something to force us. What are we, children? Mr. President, we will dodge that bullet when it comes because under this amendment, do you know who will enforce this balanced budget amendment? Congress will, according to this amendment language. Congress. Congress will enforce it. The same Congress which lacks the discipline now, to use the Senator's words, in essence.

I was thinking of Darwin and his theory of the survival of the fittest. I do not think that the men and women who come to this body in 2002, 2003, or 2004 will have had sufficient additional time to benefit from Darwin's theory anymore than we, with our ancestors stretching back over thousands upon thousands of years, have already benefited. Discipline cannot be put into the bloodstream of man by a needle. He cannot be inoculated with faith and discipline and courage, backbone and spine. It has to be inside him to begin with. I say that with the greatest respect for my friend, the happy warrior, the happy warrior, from the great State of Illinois.

Mr. HATCH. Mr. President, if I could take back my time.

Mr. SIMON. Mr. President, the Senator from Utah has the floor and when he is through I want to get the floor just to respond very briefly.

Mr. HATCH. Without losing the right to the floor, take that time to do so.

Mr. SIMON. Mr. President, let me say that there is no absolute guarantee that this will work. I think what we can virtually guarantee is if we do not pass this, we are continuing down the same slippery slope and we are not going to get things done.

In 1981 I was in the House. I was not in the Senate. But in the House we ended up with a bidding war between President Reagan and the Democrats on a tax cut. I voted against both the Reagan tax cut and the Democratic tax cut because the numbers just did not add up. We were saying by 1984 we will have a balanced budget. Third grade arithmetic told you that was not true.

Just a few other quick comments. One is the details of where we are heading. Concord Coalition put together a package. By the time this debate is over we will have a rough idea. One way to do it, for example, is to live within the limits that we have established right now through 1998, and then make some policy decisions that would combine the total of the Bush package, I think it was 1991, and the Clinton package, 1993. Not that onerous. People are being told, "This is going to hit every group." Senior citizens are being told it will come out of your Social Security.

I had a man this morning, a hospital executive, tell me, We have been told $500 billion of this is going to come out of hospitals. Every group is being told that. It just is not true.

Second, I say to my friend, who is, I think—and I am not one to exaggerate on the floor of the Senate, even though we all have a propensity to do that occasionally—I think it is correct to say that there has been no Senator in the history of the Senate who has been as much of a historian as ROBERT BYRD. His sweeping knowledge of history is impressive. I have written a few books in the field of history, but I do not pretend to have his knowledge of history.

The only historian who would even come close would be Albert Beveridge who served Indiana around the turn of

the century who did a three volume biography of Abraham Lincoln. But he had nowhere near the comprehensive knowledge of Senator BYRD.

But it was interesting to me this great historian did not get into the economic history of nations, and that economic history is very clear. As nations pile up debt, they keep on piling up debt, and what do they do eventually? They monetize the debt. They start the printing presses rolling. That is the history of nations, and we cannot avoid that.

Now, my friend from West Virginia had all what is going to happen to the various States. What is going to happen in those States if we do not pass the balanced budget amendment?

Mr. BYRD. Will the Senator yield, with the indulgence of the Senator from Utah? Why do we not do it now? We need two-thirds vote in each body to adopt this amendment. Why do we not just use a majority now to take whatever actions are necessary to continue to bring that budget into balance? It only takes a majority. Why wait 7 years? Darwin's theory of natural selection will not make me any more courageous in 7 years or 9 years or 90 years. I have only the courage that God gave me and the courage and the will and the determination and the faith that were inculcated into me by the people who raised me and by the genes that my father and mother and their ancestors gave me. That Constitution will not give me any more courage. Let us do it now. Why not now? Why not start now?

Mr. SIMON. I say to my friend from West Virginia, if we had 51 ROBERT BYRDs in the U.S. Senate, we could do that. We do not. That is the simple reality.

Mr. BYRD. No, no, I say to the Senator, you are flattering me now. We have lots of men and women in this Senate who have the courage to do it now. It is not just the ROBERT BYRDs. We have enough men and women in the Senate to do it now. Let us be honest with those people out there who are watching through that electronic eye. We have just heard our friend on the other side of the aisle say this constitutional amendment does not require a balanced budget. Let us start now.

Mr. HATCH. If I could——

Mr. SIMON. I do have some other points, but I will make them on some other occasion and I return the floor to my colleague from Utah.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BYRD. Mr. President, I thank both Senators.

Mr. HATCH. Mr. President, I thank both sides. I think it has been an interesting colloquy between my two colleagues. I agree with the distinguished Senator, why do we not do it now? This is why we are going to get it done because we are going to put a mechanism in the Constitution to help us to do it, and that is what this requires.

Let me also say this—President Reagan, of course, cannot defend himself at this particular point—but I do not think anybody should fail to note that when John F. Kennedy was President of the United States back in 1962, the military budget was 49 percent of the total Federal budget. The highest it ever got under Reagan, as I recall, was 26 or 27 percent of the total Federal budget, about half of what John F. Kennedy was willing to spend and the Congress was willing to spend for the military at that time. Forty-nine percent.

How is it that when Reagan helped to increase military spending that brought down the Iron Curtain and ended the cold war with only 26 percent of the budget, that it was he who caused this grand spending boom when we used to spend 49 percent because the national security interests of this country were the single most important interests of the Federal Government?

I will tell you why. Because John F. Kennedy cut taxes 10 percent and the economy boomed, because more people were making more money, paying more taxes, more businesses were created, more jobs were created, more people were working. John F. Kennedy cut taxes, spent 49 percent of the Federal budget on the military, and we had a very low deficit at that time.

He was succeeded by Lyndon Johnson who decided he was going to take care of everybody, and he came up with what was called the Great Society programs, and from those programs we have a proliferation of Federal Government control over all of our lives and a proliferation of spending where now 70 percent of this Federal budget is entitlement spending. That means it goes up and up and up automatically and nobody stops them.

In defense of President Reagan, and I do not mean to get too much into this because I think people who really understand economics and understand the history realize that he was not the one who created these huge deficits. Certainly tax cuts sometimes wrongfully given can, over the short term, cause us to have less money in the budget. But over the long term, they generally produce more jobs, more businesses, more people employed, more people working, more people paying into the system, more revenues to the Federal Government.

By the way, the Reagan tax cuts created 9 years of economic expansion, the longest peacetime economic expansion in the history of the country, and it was the tax cut that did it. But what was not said is that in order to get his tax cut in 1982 and his tax cut of marginal tax rates in 1986, he had to agree to all kinds of entitlement expenditures.

Today, entitlements are 70 percent of the budget. They were not that during the time of President Kennedy; 50 percent of the budget was for the military, and that is not an entitlement program. It is important, and the distinguished Senator from West Virginia made it clear that it was important.

Constitutionally, it is Congress which must balance the budget. Even if President Reagan pushed some of the ideas enacted at that time and people on the other side of the aisle love to blame him for it, it was Congress that passed these bills, according to the Constitution it is Congress that controls the purse strings. Congress cannot avoid that responsibility. It was Congress that kept increasing spending. It was Congress that came up with more and more Federal programs.

Look, I used to be chairman of the Labor Committee. My ranking member was none other than Senator KENNEDY. When I became chairman of that committee, it was the most liberal committee in the Congress. There were between 2,000 and 3,000 Federal programs created by that committee that are currently in existence. Imagine that. And that is just one committee in Congress.

Constitutionally, it is our responsibility, not the President's, although I think he or she has a responsibility, too, to balance the budget.

Reagan's tax cuts raised revenues during those years—raised $1 trillion during the Reagan administration—$1 trillion in additional tax revenues. Under Reagan, 20 million new jobs were created. But Congress spent $1.4 trillion during that same time.

Had we stuck with the tax cuts and not had Congress dictate the increased spending side of those tax bills, we would not have nearly the problems we have today, although we still would have problems because of the entitlement programs.

This body is gutless when it comes to doing anything about entitlement programs, and with good cause, because unless you have Presidential leadership and congressional consensus to do something about them, then in the next election, accusations will be made that those who talked about doing something about entitlement programs are trying to do away with them.

So it is going to take Presidential leadership and congressional leadership. And what we do with the balanced budget amendment is we get a mechanism in place that encourages and creates the incentives for balancing the budget rather than spending more and more and forces Congress make priority choices among competing programs in order to do so.

We have runaway spending in this country. I appreciate the distinguished Senator from West Virginia saying why he thinks we should not do it now. I believe he probably would act to balance

the budget. But he is one of a very few in the whole Congress who, if he would, would actually do it without a balanced budget amendment. But if as he argues we can do it now, and we do not need the increased pressure of a constitutional mandate, then why have we failed up until now? Then why have we not balanced the budget for the last 26 years? Why have we not?

My friend from West Virginia has been one of the leaders in the Senate. He was both majority and minority leader. He had tremendous power during that time and still does without being the leader of the Senate. During those years, I know he worked hard to try to do it and he could not with his own side of the floor. And I have to say it is not just Democrats that have caused this; Republicans have, too, because the incentives are not there in the Constitution right now. Jefferson saw the problem. But he never thought that we would reach the state of morass that we are in today where nobody is willing to fight to resolve budgetary problems—or I should not say nobody. I should say where the majority are unwilling to do what is in the best interests of this country.

We have a destructive welfare system. Everybody says we have to do something about it. Maybe we will this year. On the other hand, should we not have to make priority choices there as well?

We have an antisavings Tax Code. It discourages savings. Maybe we will come up with a Tax Code that will work, where people do not feel nearly as badly about paying their taxes as they do today with the oppressive antisaving Tax Code that we have.

We have a Washington bureaucracy that is out of control, partly built because we have so many of these programs, not all of which are needed but all of which are well intentioned, I will acknowledge that, but not all of which are needed and certainly not all of which rise to the same dignity as the important programs do. But they exist and get funding because we do not have to make priority choices among competing programs.

People in this last election said the old ways are not working. The old ways are not working. This country is not working the way it should. And for the first time in 40 years, they allowed the Republicans the privilege of being in control of the House of Representatives, and they gave us the privilege once again to be at least the majority in the Senate.

Now, we have no illusions about having complete control here. If you look at ideology, a majority in the Senate are liberal, at least 51 of the Senators are what you would call primarily liberal, who do not want to cut anything; who do not want to do anything to balance the budget, at least in the sense of spending cuts. They will increase taxes. They will do that until the American people scream, and they are screaming now.

(Mrs. HUTCHISON assumed the chair.)

Mr. HATCH. In the House of Representatives, it may be about the same. So nobody has any illusions that just because the Republicans have taken control, we can do whatever we want to do. We cannot. As a matter of fact, the American people did not mean this to be a mere Republican revolution. They said, look, we are willing to try anything to get spending under control. And the polls do show that they believe Republicans will do a better job of getting spending under control.

I believe one of the reasons why they believe that is a vast majority of Republicans in both bodies, almost every Republican in the House, almost every Republican in the Senate, is willing to vote for this balanced budget amendment and they knew it would be one of the first things we would bring up.

But having said that, there were 72 courageous Democrats in the House of Representatives who voted for this amendment who are probably more moderate to liberal than most Republicans who voted to pass the balanced budget tax limitation constitutional amendment.

That amendment is what we are debating right now. For the first time in the history of the country, the House of Representatives has voted to put into the Constitution a fiscal mechanism that will help us to reach a balanced budget. And I have to say we need about 15 to 17 courageous Democrats in the Senate or it will not pass by a two-thirds vote. All we need is, let us say, 17. That means 30 of them can vote against it, if they want to, and we can still pass it.

The fact is that is what we need. We just need a few Democrats to stand up here, like a few stood up in the House. They were the minority of the Democrats in the House. Let me tell you, those who do stand up are going to be heroes to me because there is tremendous pressure on them to keep the old order, where we can keep spending and reelecting ourselves, where we can tax and spend and reelect.

So whoever votes with us from the Democratic side of the aisle is going to be a hero to me, I have to tell you. And there are some real heroes, not the least of whom is the distinguished Senator from Illinois. We do differ ideologically. He is liberal; I am conservative. But he also acknowledges that something has to be done. I praise him for it, and I admire him for it because it is not easy when so few on his side are willing to do anything about this.

If this goes down to defeat, I do not think the American people are ever going to get over it because for the first time in history, the House of Representatives has voted for a balanced budget amendment. What a historic vote that was. Would it not be awful if the Senate, which was the first body to ever vote for a balanced budget tax limitation amendment, the one we brought to the floor in 1982, when I was chairman of the Constitution Subcommittee, would it not be awful if the Senate voted it down because we cannot find 17 Democrats to vote with us? Would it not be awful? Would not people on the other side of the floor feel terrible about that? I think they would at the polls, because I do not think the American people are going to forget it.

This is the most important constitutional issue, it seems to me, aside from the Religious Freedom Restoration Act, that we passed a few years ago overwhelmingly, on which this body is going to vote in the lifetime of the Members of this body. There are other extremely important constitutional issues that may rise to this dignity, but this is the most important of all of them because we are talking about the future of the country now. And when I see anybody coming to the floor and saying look at all these programs we are going to lose if we pass the balanced budget amendment, I see an argument for more of the same—more of the same of the last 26 years. If we will not do anything we will face it in the future. Sometime we will have to get this under control.

I know there is sincerity among some who make those arguments, but history does not back it up. History does not back it up and our experience does not back it up. I have heard talk about our children's future. Let me tell you, nobody is more concerned about our children's future than those of us who have a lot of children and grandchildren. Elaine and I have 6 children, and we will have our 15th grandchild here in another month or two. I have to tell you, we love each and every one of them, and I am worried that their future is going fast. We are not giving them the future we had because we are spending their legacy away, and we are not willing to do anything about it.

And yet we keep getting these same old tired arguments against doing anything. My gosh, why do we not do it now? I have heard those same arguments ever since I have been here. And I have no doubt of the sincerity of the distinguished Senator from West Virginia. But it is amazing to me, if you make the correlation of those who say, "Let us do it now, we do not need a balanced budget amendment," why it is almost everybody who is going to vote against it who says we do not need a constitutional directive to balance the budget. And most of them have been here as long as I have, or at least a pretty lengthy time in the Senate, and never once have we balanced the budget.

I think the American people have our number. The American dream is fading

for our children. We have to make the right decisions now to keep it alive for them. We cannot keep accepting these same old arguments for going on as we have in the past. How can it be said that every State is going to have to increase its taxes because we pass a balanced budget constitutional amendment—as if the States do not each have the ability to respond to a new fiscal environment in their own way. No, Congress is going to have to make priority choices among competing programs for the first time in the time I have served here, 19 years. They are going to have to make the tough choices or they are going to have to stand up and vote not to. If they do, I think they are going to be thrown out of office in the next election, which is what should happen to those of us who do not do what is right. That is the ultimate and real enforcement, and it will work.

We have to cut the waste. We have to cut the fat, and there is plenty. Anybody who denies or doubts that we have waste and fat in this budget just has not looked. They have not looked at the budget. They have not looked at what the Federal Government has done.

Do not tell me we have to continue to pour everything through this bureaucracy when we get only 28 percent back out. Why do we not keep that money at home and get 100 percent for the people, the poor, the sick and elderly, and those who have difficulties in our society? Why launder it through the Federal Government? We are not the all-seeing eye, nor are we always right in our remedies. The Founding Fathers believed the Government closest to the people is better able to deal with such problems. It is a true belief, because people lose touch within this beltway.

The same old order cannot continue. We have to do what is right for this society. This balanced budget amendment will give us the incentives to do so. And I agree with the Senator from Illinois, we take an oath to uphold that Constitution. I think most all of us take that oath very seriously. If this becomes a part of the Constitution, and I believe it will, then I believe we will take it seriously and I believe we will make great inroads over the next 7 years to do what is right for this country.

It may be the only way to save this country from going into a total depression sometime in the future when our money becomes worthless, and when Social Security becomes worthless, and when our children's programs become worthless, and when all of these other programs we have been talking about become worthless as we continued to spend this country blind. If our Government or economy is destroyed by our current profligacy, we will not have any—any—of the programs we have been talking about, and which the opponents of the balanced budget amendment say will be cut if we balance the budget.

As you know, I say to my friend here today, I admire my friend from West Virginia. I admire the way he feels. I admire the way he gives extraordinary time to the Senate and why he is willing to stand out here and take the guff of Senators. He is willing to stand out here and fight for what he believes in.

He is a quintessential Senator. I believe that. But he is wrong. He is wrong to think we can continue to go the way we are going and still solve the problems of this country. As sincere as people are, we can be sincerely wrong.

Even Paul held the coats of the people who killed Stephen, the first Christian martyr, thinking he was right. He was sincerely wrong and he had to admit it later when he was blinded on the way to Damascus.

And the voice said: "Saul, Saul, why persecutest thou me?" And he just stopped. And the minute Paul knew with whom he was talking he said, "Lord, what wilt thou have me to do?" And from that minute on he admitted he was wrong and went to do the job.

We in Congress have to admit we have been wrong, spending this country into bankruptcy and this balanced budget amendment is one of the first steps we should take to right that wrong.

The unfunded mandates legislation is one of the other steps to our redemption. We have to quit loading up the State and local governments with ridiculous unfunded mandates that take away their rights of self-determination and so often actually do not even work. I think the unfunded mandates legislation we recently approved will work. Although I agree with the distinguished Senator from West Virginia, it only takes 51 percent, a majority vote to change it. But I think we are going to be loath to change it now that we have put it in place.

I see the distinguished Senator from Tennessee is here. I know he wants to speak to this matter. There is a lot more I would like to say but I will let it go at this. I just hope everybody in this body recognizes what an important, significant, and historic vote this is going to be. I hope we vote down any and all attempts to change it because this is the amendment. This is our last, best chance. This is the chance to put some fiscal discipline that works into the Constitution, that will help us to do the job that we have not done before because we have not had a constitutional mandate to do it. It is a bipartisan, Democrat and Republican consensus amendment, the best we can do. It is not perfect but it is the most perfect thing we can do and I hope everybody realizes it. Most important, I hope our folks out there throughout this country realize that they have a role to play constitutionally. That role is to write and call and get with your Senators and get them to vote for this. We all know who needs to vote for it.

With that I yield the floor for now and will speak more later.

HOUSE JOINT RESOLUTION 1, THE BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. INOUYE. Madam President, as my constituents know, I do not give speeches on every issue addressed by the U.S. Senate. However, I felt that on a matter as significant to the American people as an amendment to United States Constitution, I had to share my thoughts. In no way is my speech delivered to stall these proceedings. I wish to address the Senate because I am genuinely distressed about several serious deficiencies in the balanced budget amendment measure now before the U.S. Senate, not the least of which is the fact that the American public, ourselves included, does not have a full and fair understanding of how this balanced budget amendment will truly impact our lives.

While the proponents tell us that they will balance the budget, while cutting taxes, increasing defense spending and protecting Social Security, we are also told that to meet all these goals, the Congress will have to cut spending by $1.5 trillion before the year 2002. In addition, estimates by the Congressional Budget Office indicate that if Social Security and defense spending are not cut, all other programs must be cut across the board by 30 percent. I believe the people of America should be told in advance where these cuts will occur.

The new leadership of the U.S. Senate is determined to pass this measure almost as expeditiously as the House of Representatives. With only 2 days of consideration on the House floor on House Joint Resolution 1, debate was, at best, limited. On a matter of this significance, the least we can do is not only fully acquaint ourselves with the matter before us and its effects, but also provide the same information to the citizens of this Nation so they may know its impact on their lives. This should not be part of a contest to see who can pass a bill faster.

The proponents of this measure seem to wish to move with undue haste, without responsibility for the consequences of their actions, only to let the American people and the States unknowingly deal with the unpleasant realities at a later date. Our constituents have a right to know and understand the real impact of this balanced budget amendment.

The concept of a balanced budget amendment to the Constitution is nothing new to this body. In 1980, the Senate Judiciary Committee rejected the proposed constitutional amendment by a vote of 9 to 8. In 1982, the U.S. Senate actually passed a balanced budget amendment. That measure,

Senate Joint Resolution 58, would have only allowed deficit spending or an increase in the Nation's debt ceiling upon a three-fifths vote of the Congress. Though passed by the Senate, Senate Joint Resolution 58 died in the House of Representatives.

Many of us in the U.S. Senate consider the balanced budget amendment before us with deep concern because underlying the measure is an implication or suggestion that we who are elected by our people are incapable of doing our work. I believe even a cursory study and analysis of the past 2 years will clearly assure the citizens of our Nation that we are capable of and are, in fact, doing our job.

Our work together with the Clinton administration has produced significant accomplishments over the last 2 years that no one can dispute. Over 5.6 million new jobs have been created. The unemployment rate has dropped from 7.3 percent in 1992 to 5.4 percent as of December 1994, the lowest rate in over 4 years. Inflation has dropped to 2.7 percent, the lowest since 1986. Under the Omnibus Budget Reconciliation Act passed by the Congress in 1993, the Federal deficit has been reduced by $87 billion between 1992 and 1994. This is the first time the deficit has dropped 2 years in a row in over 20 years, and it is the largest 2-year drop in history. The deficit is projected to fall another $27 billion in 1995. Many of us, together with eminent economists, are convinced that the path we have laid will further decrease our deficit and improve our economy.

The United States Constitution is a document of permanency. If sets forth the basic principles, ideals and philosophy of this country and our society. It is not a document which should be tinkered with lightly. The Constitution of this great Nation was signed on September 17, 1787. Delaware was the first State to ratify the document on October 7, 1787. Other States ratified the Constitution during the course of 1788, and the Constitution took effect on September 13, 1788. There are currently 26 amendments to the Constitution. Since the 1st Congress in 1789, 10,736 Constitutional amendments have been proposed in the Congress. We have been rightfully very reluctant to pass Constitutional amendments.

Measures of this magnitude and import must be approached with great care and consideration. It took the U.S. Congress somewhere on the order of 30 years to pass Medicare legislation. Medicare was first debated in Congress in the 1930's with the social reforms of the New Deal. Medicare was not considered seriously again until the mid 1950's. In 1960 Senator John F. Kennedy featured Medicare in his Presidential campaign. However, Medicare was not enacted by the Congress until 1965. Congressional debate to end the Vietnam conflict began in the early 1960's, but the Congress did not set a date certain for the end of the war until 1973—the same year the War Powers Act was passed. The Family and Medical Leave Act was first introduced in the 99th Congress, vetoed by President Bush in both the 101st and 102d Congresses, and finally signed into law by President Clinton in the opening days of the 103d Congress. The Supreme Court's decision in Brown versus Board of Education of Topeka, ordering the racial desegregation of our Nation's schools, was rendered on May 31, 1955. However, not until the Civil Rights Act of 1964 did the Congress give the Attorney General the power to initiate civil actions to achieve desegregation. The Civil Rights Act of 1964 was debated in the Senate for 83 days.

Each of these measures was fully debated in both Houses of the Congress, and they were not even amendments to the Constitution of the United States. I submit that a proposed constitutional amendment demands a significantly higher level of scrutiny and debate wherein the American people are fully informed of all of the amendment's implications.

Every household in our Nation tries its best to balance its individual family budget. However, in contemporary times this task is much more difficult than that faced by my grandparents. Now we have an innovation known as the credit care that allows us to buy now and pay later. As of November 1994, our citizens' revolving loan debt was $334.4 billion.

Living with debt is part of the economy of every country. Such debt is generally categorized into the types of accounts: operating expenses and capital improvements. It is good fiscal policy for a country to work to keep operating expenses current. Similarly, the American family should try to stay current in its everyday expenses. On the other hand, very few Americans would be inclined to purchase a home with cash. That home is acquired with credit in the form of a mortgage loan. This is not so different from a government obtaining financing to fund capital improvements. Presently, the total amount of our Nation's home mortgage debt is $3.3 trillion. The supporters of this balanced budget amendment proposes to consider both operating expenses and capital improvements as one account, lumped together as debt. Economists will tell you that this is not sound fiscal policy.

It is a relatively simple matter when balancing the family budget to be fully cognizant of what must be cut and what operational costs are essential and cannot be curtailed. Unlike this household budget balancing, the balanced budget amendment currently before the Senate intentionally and almost deliberately does not inform the American public of what is going to be done to achieve the goal of a balanced Federal budget. The American people have a right to know this information.

Merely telling our constituents that we will increase defense spending, lower taxes, not touch Social Security, and hope that the economy is going to improve is simply not sufficient. In July of 1981, similar words were uttered by President Ronald Reagan, and the Congress adopted "Reaganomics," also known as supply side economics. When this process began in July 1981, the Federal budget deficit amounted to $79 billion. When Ronald Reagan left office in 1988, the Federal deficit had increased to $155 billion. Under the Republican administration's budget policies, the upward trend continued through George Bush's administration with the deficit topping out at $290 billion in 1992. Proponents of this balanced budget amendment refuse to acknowledge that the problems we address today began in July 1981.

I believe that the American people have the right to know exactly how the Congress plans to put this balanced budget amendment to work. For example, health care costs currently amount to 14 percent of Federal spending. Every study indicates that by 1988, this figure will increase dramatically such that 24 percent of Federal spending will be on health care. One-half of that amount will be spent on Medicare alone. I would think that the people of this country would like to know now whether the balanced budget amendment will result in cuts to Medicare. Will Medicaid funding face reductions, and will research programs for the treatment of breast cancer, AIDS, heart disease, and mental illness be reduced or eliminated? How will highway funds, Aid to Families With Dependent Children, job training and veterans' benefits, and other grants to States be impacted? Further, if States felt that these programs were essential, I would think that our constituents would want to know just how much it would cost them as State taxpayers to continue these programs.

I am also deeply concerned about the provision in House Joint Resolution 1 which provides that the balanced budget requirement may be waived if there is a declaration of war, or the United States is engaged in military conflict which threatens the national security of our country.

Would the United States' humanitarian mission in Somalia come within this provision? What about United States peacekeeping efforts in Bosnia? What about Haiti, Desert Storm, Vietnam and Korea? Some would argue that the Korean war was a police action, not the result of a declaration of war, therefore, not a war.

Further, how will we deal with the financial impact of natural disasters over which we have no control—Hurricanes Andrew, Iniki and Omar, floods in the Midwest and California, and the

earthquakes in California, to name a few.

The American people deserve to know the answers to these questions.

At the request of the National Governors' Association, the U.S. Department of the Treasury recently prepared a report on the likely effects on the States of a balanced budget amendment alone, as well as accompanied by the tax reductions proposed by the Republican Contract With America. As proposed by the proponents of the balanced budget amendment, the Treasury Department assumed that there would be no cuts to defense or Social Security, not tax increases, and that deficit reduction would be achieved by the year 2002.

According to the Treasury Department, even if phased in gradually between now and the year 2002, deficit reduction cuts will be severe in 2002. A balanced budget amendment will require reducing Federal grants to States, for programs such as Medicaid and highway funds, by a total of $71.3 billion in fiscal year 2002. Other Federal programs that directly benefit State residents, such as Medicare and housing assistance, would have to be cut by $176.5 billion in fiscal year 2002. However, these figures grow significantly if Republican-sponsored tax reductions in the Contract With America are taken into account. Cuts totalling $97.8 billion in grants and $242 billion in other programs that directly benefit State residents would be required in fiscal year 2002 under a balanced budget amendment combined with the proposed Contract With America tax reductions.

For the benefit of my constituents, I would like to highlight the impact on the State of Hawaii based upon an analysis prepared by the Treasury Department. I ask unanimous consent that a copy of the Treasury Department's analysis on the impact of the balanced budget amendment and Contract with America tax reductions be included in the CONGRESSIONAL RECORD following my remarks.

(See exhibit 1.)

Mr. INOUYE. As the Treasury Department's analysis indicates, a balanced budget amendment alone would reduce annual Federal grants to Hawaii for Medicaid, highways, Aid to Families with Dependent Children, education, job training, environmental protection, housing and other programs by $328 million. Combined with the proposed tax cuts in the Contract With America, this figure rises to $450 million in lost Federal grants annually. Hawaii would also lose another $1 billion annually in other Federal spending for Medicare, housing assistance, student loans, veterans' benefits and other programs. The Treasury Department's analysis further shows that Hawaii State taxes would have to be increased by over 9 percent to make up for lost Federal funding and to continue these programs.

The American public and our constituents have a right to know about the impact of the proposal before us on their lives. Without a provision setting forth the nature and amounts of budget cuts, the balanced budget amendment measure before us would be grossly unfair to our States and our taxpayers.

Why are the Republicans who are the authors of this balanced budget amendment afraid to let the people know? Don't they trust their fellow Americans? The logical and appropriate way to make decisions is to know all the facts. Our constituents—the American taxpayers—and our State legislatures should be entrusted with and have the benefit of the facts before this balanced budget amendment is considered for ratification.

The Senate is unique because it is where ideas and concerns can be freely and fully expressed. I hope that every Member of this body will express themselves freely. I hope that all of us will participate openly in this debate.

As this joint resolution stands today, I will most certainly oppose it and do everything in my power to defeat it.

EXHIBIT 1

THE IMPACT OF A BALANCED BUDGET AMENDMENT AND THE CONTRACT WITH AMERICA ON THE STATE OF HAWAII[1]

I. A Balanced Budget Amendment would reduce annual Federal grants to the Hawaii state government by $328 million:

$117 million per year in lost funding for Medicaid.

$62 million per year in lost highway trust fund grants.

$24 million per year in lost funding for welfare (AFDC).

$125 million per year in lost funding for education, job training, the environment, housing, and other areas.

Hawaii would have to increase state taxes by 6.8 percent across-the-board to make up for the loss in grants.

II. A Balanced Budget Amendment combined with the "Contract with America" tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to the Hawaii state government by $450 million:

$161 million per year in lost funding for Medicaid.

$85 million per year in lost highway trust fund grants.

$32 million per year in lost funding for welfare (AFDC).

$172 million per year in lost funding for education, job training, the environment, housing, and other areas.

Hawaii would have to increase state taxes by 9.3 percent across-the-board to make up for the loss in grants.

III. A Balanced Budget Amendment and the "Contract with America" tax cuts would reduce other annual Federal spending in Hawaii by $1.0 billion:

$296 million per year in Medicare benefits.

$716 million per year in other spending including housing assistance, student loans, veterans' benefits, and grants to local governments.

TABLE 1.—SPENDING REDUCTIONS UNDER BALANCED BUDGET AMENDMENT, FISCAL YEAR 2002

[In millions of dollars]

State	Cuts in grants to State governments					Required State tax increase (in percent)	Cuts in other Federal spending		
	Total	Medicaid	Highway	AFDC	Other		Total	Medicare	Other
Alabama	1,162	641	98	32	391	16.4	3,058	1,157	1,900
Alaska	306	89	71	19	127	9.8	576	44	532
Arizona	919	519	78	68	254	10.4	2,397	949	1,447
Arkansas	723	416	65	16	225	16.5	1,567	766	800
California	7,708	3,944	442	960	2,362	9.2	20,321	9,101	11,220
Colorado	755	387	79	36	253	11.8	2,764	721	2,044
Connecticut	1,008	587	105	63	253	11.2	1,843	1,089	755
Delaware	158	70	18	9	61	7.2	383	176	207
District of Columbia	697	183	17	24	473	20.4	4,937	313	4,624
Florida	2,656	1,520	202	170	764	10.2	9,782	5,336	4,446
Georgia	1,608	938	131	101	438	12.0	2,780	1,392	2,398
Hawaii	328	117	62	24	125	6.8	737	216	522
Idaho	254	118	33	8	95	9.9	855	218	637
Illinois	2,576	1,354	174	155	892	11.6	7,532	4,092	3,441
Indiana	1,490	956	123	54	357	13.8	2,531	1,497	1,034
Iowa	630	328	69	35	197	10.9	1,919	897	1,022
Kansas	622	355	52	29	186	13.0	1,730	819	911
Kentucky	1,157	690	69	56	341	14.5	2,111	952	1,159
Louisiana	1,966	1,500	94	48	324	27.8	2,361	1,066	1,296
Maine	452	279	28	24	121	17.5	717	385	331
Maryland	1,125	581	83	65	398	9.9	6,253	1,377	4,876
Massachusetts	1,915	1,073	248	135	459	12.6	4,683	2,449	2,234
Michigan	2,477	1,355	140	229	753	13.2	4,988	3,333	1,655

[1]For all calculations, a balanced budget is achieved by FY 2002 through across-the-board spending cuts that exclude defense and social security.

Source: U.S. Department of the Treasury, January 12, 1995.

TABLE 1.—SPENDING REDUCTIONS UNDER BALANCED BUDGET AMENDMENT, FISCAL YEAR 2002—Continued

[In millions of dollars]

State	Cuts in grants to State governments					Required State tax increase (in percent)	Cuts in other Federal spending		
	Total	Medicaid	Highway	AFDC	Other		Total	Medicare	Other
Minnesota	1,177	679	102	83	314	9.4	2,547	1,123	1,424
Mississippi	864	496	61	24	282	20.8	1,672	713	959
Missouri	1,316	747	109	62	398	15.5	3,942	1,781	2,161
Montana	277	123	52	12	89	19.8	744	218	526
Nebraska	388	192	44	23	129	13.3	1,213	482	732
Nevada	227	116	32	11	68	6.2	1,005	258	747
New Hampshire	212	112	31	11	58	17.6	563	270	293
New Jersey	2,476	1,500	141	129	705	12.7	4,653	2,894	1,759
New Mexico	524	233	70	28	193	12.9	2,117	321	1,796
New York	8,181	5,442	274	535	1,930	17.4	11,058	6,876	4,182
North Carolina	1,697	1,025	136	95	441	11.1	3,217	1,432	1,785
North Dakota	229	105	35	8	81	19.7	563	231	332
Ohio	2,826	1,718	170	212	727	14.4	6,007	3,442	2,565
Oklahoma	770	424	51	51	244	12.4	2,110	934	1,117
Oregon	706	342	54	47	263	12.2	1,976	833	1,143
Pennsylvania	3,057	1,767	211	178	901	12.7	8,555	5,120	3,435
Rhode Island	430	255	42	23	109	21.4	619	347	272
South Carolina	1,033	644	68	31	260	14.3	2,217	682	1,536
South Dakota	231	103	39	6	82	24.7	577	205	372
Tennessee	1,537	989	78	60	411	19.5	3,845	1,349	2,496
Texas	4,167	2,520	340	147	1,159	14.0	10,758	4,280	6,479
Utah	422	190	49	22	160	11.4	1,078	235	842
Vermont	207	89	37	13	68	17.4	301	150	151
Virginia	1,005	490	72	49	393	8.2	6,073	1,374	4,699
Washington	1,318	730	117	126	346	8.4	3,569	1,107	2,463
West Virginia	765	488	45	32	199	20.6	1,209	600	608
Wisconsin	1,250	694	111	96	349	10.3	2,480	1,503	977
Wyoming	218	55	38	8	118	18.7	286	96	191
Total, State	70,172	40,271	5,093	4,480	20,328	12.6	172,792	77,199	95,593
Undistributed and territories	1,127	43	83	28	973	NA	3,700	276	3,424
Total, United States	71,300	40,314	5,176	4,506	21,301	NA	176,492	77,476	99,017

Source: U.S. Department of the Treasury, January 12, 1995.

TABLE 2.—SPENDING REDUCTIONS UNDER CONTRACT WITH AMERICA, FISCAL YEAR 2002

[In millions of dollars]

State	Cuts in grants to State governments					Required State tax increase	Cuts in other Federal spending		
	Total	Medicaid	Highway	AFDC	Other		Total	Medicare	Other
Alabama	1,594	879	135	44	536	22.5	4,195	1,688	2,608
Alaska	420	123	98	28	174	13.5	790	60	730
Arizona	1,261	712	108	93	348	14.2	3,288	1,302	1,986
Arkansas	992	571	90	23	309	22.7	2,150	1,052	1,098
California	10,576	5,412	607	1,317	3,241	12.8	27,880	12,486	15,394
Colorado	1,036	531	108	49	347	16.2	3,793	989	2,804
Connecticut	1,383	805	145	86	348	15.4	2,528	1,494	1,035
Delaware	217	97	25	12	83	9.8	526	241	284
District of Columbia	956	252	23	32	650	27.9	6,774	429	6,345
Florida	3,644	2,086	277	233	1,048	14.0	13,421	7,321	6,100
Georgia	2,206	1,286	180	138	601	16.5	5,200	1,910	3,290
Hawaii	450	161	85	32	172	9.3	1,012	296	716
Idaho	349	162	46	11	131	13.6	1,173	299	874
Illinois	3,534	1,858	239	213	1,224	15.9	10,334	5,614	4,721
Indiana	2,044	1,312	168	74	490	18.9	3,473	2,054	1,419
Iowa	864	451	95	48	270	15.0	2,633	1,231	1,402
Kansas	853	487	71	40	255	17.8	2,374	1,124	1,249
Kentucky	1,587	947	95	77	468	19.8	2,896	1,306	1,590
Louisiana	2,697	2,059	129	66	444	38.2	3,240	1,462	1,778
Maine	621	383	38	33	166	24.0	983	529	454
Maryland	1,543	798	113	89	543	13.5	8,579	1,889	6,690
Massachusetts	2,627	1,472	340	185	630	17.3	6,425	3,360	3,065
Michigan	3,398	1,859	192	314	1,034	18.1	6,844	4,572	2,271
Minnesota	1,615	931	139	113	431	13.0	3,494	1,541	1,954
Mississippi	1,185	681	84	33	387	28.5	2,294	978	1,316
Missouri	1,806	1,025	149	85	547	21.2	5,408	2,444	2,965
Montana	380	189	71	17	123	27.1	1,021	298	722
Nebraska	533	264	60	31	177	18.3	1,665	661	1,004
Nevada	312	159	44	15	94	8.6	1,379	354	1,025
New Hampshire	291	154	43	16	79	24.1	773	370	403
New Jersey	3,397	2,059	194	177	968	17.5	6,364	3,971	2,413
New Mexico	719	320	96	38	265	17.6	2,904	440	2,464
New York	11,226	7,466	376	734	2,649	23.8	15,172	9,435	5,738
North Carolina	2,329	1,406	187	130	605	15.2	4,414	1,965	2,449
North Dakota	314	144	48	10	111	27.0	773	317	455
Ohio	3,878	2,358	233	290	997	19.8	8,242	4,722	3,520
Oklahoma	1,056	582	70	69	335	17.0	2,896	1,281	1,615
Oregon	969	469	75	65	361	16.6	2,711	1,143	1,568
Pennsylvania	4,194	2,424	290	244	1,237	17.4	11,738	7,025	4,713
Rhode Island	590	350	68	32	150	29.3	849	476	373
South Carolina	1,378	883	94	42	357	19.6	3,042	935	2,106
South Dakota	316	142	53	9	113	33.8	792	281	511
Tennessee	2,109	1,357	107	82	563	26.7	5,275	1,850	3,425
Texas	5,717	3,457	466	202	1,591	19.2	14,761	5,872	8,889
Utah	579	261	68	31	220	15.6	1,479	323	1,156
Vermont	284	122	51	18	93	23.9	413	206	207
Virginia	1,379	673	99	68	539	11.2	8,332	1,885	6,447
Washington	1,809	1,001	161	172	474	11.5	4,897	1,518	3,379
West Virginia	1,049	670	62	44	273	28.3	1,658	824	835
Wisconsin	1,716	952	153	132	479	14.2	3,402	2,062	1,340
Wyoming	300	75	52	10	162	25.7	393	131	262
Total, State	96,278	55,253	6,988	6,147	27,891	17.3	237,075	105,919	131,155
Undistrict and territory	1,547	69	114	38	1,335	NA	5,077	378	4,698
Total, United States	97,825	55,312	7,102	6,185	29,226	NA	242,151	106,298	135,854

Source: U.S. Department of the Treasury, January 12, 1995.

Mr. THOMPSON. Madam President, first of all I compliment the Senator from Utah for his leadership in this regard. It has been a great pleasure for me over these last few days, and just recently as I presided, to listen to him articulate the problem, articulate the history leading to the problem, articulate the solution that is needed. I think, as usual, he hits the nail on the head.

It was a great honor for me to sit here and listen to the debate that has gone on this afternoon with the Senator from Illinois, proving that this is indeed a bipartisan effort. We are all concerned about it. The Senator from West Virginia, who is indeed an institution within an institution, who swore me in less than 60 days ago, and whom I respect greatly and whose views I respect greatly—this is what to me the U.S. Senate ought to be about. Senators on the floor of the Senate, debating the great issues that affect this country. I wish more of our colleagues could have been here. I hope they are watching in their offices on television, to listen to these great Senators debate this great issue.

Because I agree with the Senator from Utah that this is, if not "the," certainly one of the most important votes and decisions that will be made by the Senators in this body during their careers. I think we have to focus, from time to time during this debate, on exactly what we are about. I think it is nothing less than deciding whether or not we are going to take the necessary steps to protect the next generation from lower pay, from a lower standard of living, and ultimate bankruptcy of this country, or whether or not we are going to bow to those who keep demanding we do not have to cut back, insisting we do not, on current consumption, and are willing to let the next generation make the tough choices instead of ourselves.

As I listened to the debate and listened to the comments of those who oppose this amendment, I hear that there are questions concerning what is the role of the Court? What is the role of the President going to be? Who is going to be cut? We debate whether or not it was this President's fault or that President's fault. We debate whether or not it is the institution of the Presidency or the institution of the Congress—whose fault is it? Where does the blame lie? How are we going to resolve the difference between those who advocate lower taxes and those who advocate lower spending? How is all that going to be worked out?

Madam President, I think that is the debate that has been going on in this body, I suppose, for 200 years. That is the old debate. Unfortunately we still keep getting the old result, and that is a $5 trillion debt that we are approaching in this country, spending ourselves into oblivion and bankrupting the next generation.

Everybody is for a balanced budget. I have not heard anyone speak yet who was not for the concept of a balanced budget. I have not heard anyone speak yet who has not fought the good fight over the years to balance the budget and to show fiscal restraint and to show fiscal responsibility. I am not sure where the opposition really is. Everybody I have heard is for a balanced budget and has fought for it all these years. There must be some people lurking around here that we have not heard from yet because certainly we have not made any progress on it in the last two decades.

That is the debate of the past. Whose fault is it, why are we here, are we going to raise taxes, are we going to cut spending, what combination of all of that—that is what we have been debating in the past and that is what we will have to debate in the future. But times are different.

Madam President, I listened to the Senator from West Virginia talk about his career of 48 years in politics. It is a distinguished career in politics. I can never hope to achieve what he has learned in the time that he has been in government, both in the State of West Virginia and in the U.S. Congress and the U.S. Senate. I have much of a contrast with that.

I have been in politics for about a little less than 60 days, so I have great disadvantage in terms of his background and his knowledge. But I also come with one advantage, because I feel just having spent so much time with the people of my State that I can relate to a certain extent what is on their mind and what they feel about certain things.

I suspect it is not limited to the State of Tennessee. I think nothing less than a revolution is going on in this country and it is time this body picked up on it.

We have 6-year terms here. We are not supposed to bend with every wind that blows, and that is good. But I think those who have not been out there among the people, talked to them, listened to them, and had to be judged by them recently are not fully aware that just within the last few years people's thinking has changed in this country. I think people today in the United States of America have decided that our generation is not going to be the generation that sees the United States of America go from the greatest country in the world to a second-rate power. I think that the people of this country have decided just recently that they are not going to stand for the proposition that ours is the last generation that can expect to do as well or better than their parents' generation, which is what a lot of people are saying now.

I believe people feel a cynicism toward their Government, an alienation from their Government, a dissatisfaction with the U.S. Congress. That has never been before in this country. Perhaps some of it is unjustified. I submit to you that much of it is very much justified.

As we debate these issues, and as we try to decide whose fault it was, and this bill that was passed, who voted for it, how many people on this side of the aisle and all of that, as we debate that, as we see the debt increase, as we see the deficit increase, as we are taxing those unborn out there who do not have votes, as we see all of that, we see a public opinion poll occasionally that shows that people in this country have a lower regard for the U.S. Congress than almost any institution in America. Seventy percent of the people in a recent poll indicated that they believe the U.S. Congress is more interested in perpetuating itself and the individual Members in office than it is in doing the right thing. People are seeing that and they are demanding a change. They are demanding that we turn away from this old debate, who shot John, whose fault it is, how we are going to work out the details, and make one fundamental commitment to ourselves and to the future generations. And that is that we are going to change the way we do business in this country, and we are not going to hand over a second-rate power to this next generation, which is surely what we are doing as sure as I am standing here today.

Why do they feel that way? Why do they feel that way? Are people whipping them into a frenzy? Are some clever politicians convincing them of things that are not really true? Are they overly impressed with attack ads on TV? What is the reason for that?

I think it is more fundamental for that. I think the people out in the country and having to work for a living are the leading indicators. I think they are picking up on something, and they have something they understand much more so than a lot of people around here understand. They see and understand that we have gone from a country with one of the highest savings rate in the industrialized world to actually the lowest savings rate. We must have savings for investment.

They see that we now have one of the lowest investment rates of any of the industrialized countries. They understand that you have to have investment to have growth. But with one of the lowest investment rates, our growth rate is slowing down. People talk about recent years, recent months. We are so short-term oriented in this country. We cannot see the forest for the trees.

The fact of the matter is we have had a good growth rate recently. But when you compare it with other points in our history when we have come out of recessions, we are growing at a much slower rate coming out of a recession than ever before. The indicators are all

over the place. They see the astronomical amount of money that we are having to borrow from foreign investors and our dependency on foreign investors. They pick up the paper and see what is going on with our neighbors south of the border and the trouble that they got into when the foreign investors decided that all of a sudden maybe it was not such a good deal after all.

Many economists predict a credit crunch in this world in the not-too-distant future. In 1993, we sent $41 billion in interest payments overseas. People talk about foreign aid. That is the largest foreign aid program we have in this country. That is larger than all the foreign aid programs put together plus the operation of our embassies; $41 billion we have sent out in interest payments because of the size of our debt.

The reason for that? The debt keeps climbing, $4.8 trillion. The deficit is hovering around before long $300 billion, some say $400 billion before long. Although we have made a little progress in the last few years, one could argue, and everyone acknowledges, that in 1998 and thereafter it is going to go off the charts. Everybody knows that. We have seen charts in this body that show us going along. And along about that time, it is almost straight up.

But we act like we have all this time and that the problem is not on us. But yet, instead of facing up to it, instead of realizing that, yes, we will have to put a straitjacket on ourselves because we have not been behaving the way we have to, we get scare tactics, we get charts about who is going to be hurt, and widows and children are going to be left in the street, and Social Security is going to be in danger, and all of these other things.

We are urged to look to the short term. "Don't worry about down the road. Let that situation take care of itself," while all the time we turn from the world's biggest creditor to the world's biggest debtor. We turn from a country that sometimes borrowed overseas for investment purposes to a country that now is borrowing larger and larger sums for purposes of consumption. All the time, while we are going from a country that has always had rates of investment and productivity that led the world to one that is among the lowest in the world now; from a country that used to invest in its children to a country that now is living off of its children and grandchildren and children yet to be born.

So the American people see that. The American dream is darkening for many people. You hear young people. You ask them whether or not they expect to do as well or better than their parents. For the first time in the history of this country their answer is no. They understand that family income has been stagnant for 20 years in this country. What a lot of people do not understand is that for younger households income has actually fallen since 1973. For people who are starting families, working hard for a living, they understand that the middle class is actually shrinking.

We are falling into a second-rate power before our very eyes. They understand that. They see all of that. They also see what will happen if we do not make some incremental adjustments now. That is what it is all about. Nobody is talking about slashing programs and making massive cuts. For the most part, the conversation you hear is about economists having to make some incremental differences, having to do with slowing down the rate of increase, those sorts of things.

Yet the U.S. Congress, as of yet, has not even been willing to do that. We hear about all the dire consequences to all these programs, and individuals will have to cut back, and States will have to cut back. There will be some things that actually we might have to give up. And we will have to give up the political power that goes along with it, with the ability to dole out these things and buy the votes that we are used to buying in this country with the pork that we are used to doling out. Those times have to change.

Those times have to change. The deficit in this country, and the interest we are paying on the deficit, as the Senator from Utah pointed out, is the second highest expenditure in this Nation. This year it may pass defense; it may become the greatest expenditure we have in the entire budget. It is sapping our savings which, in turn, is lowering our investment which, in turn, is affecting our growth. If we are going to continue down that road, growth is going to slow, we will go into recession, the economy will become more stagnant, foreigners will own more and more of our productive capacities—we pay them more and more—there will be lower paying jobs, a lower standard of living, and fewer younger people supporting a growing elderly population.

When we talk about these dire consequences and about the path that this Nation is on, we are experiencing the good news today, because the demographics are working in our favor. We have a very large working population—the baby boomers. We have more two-income earner families than ever before. But in about 2010, those demographics are going to change. As the baby boomers start to retire, we are going to have fewer and fewer people supporting more and more people in this country. That is right around the corner.

If we do not start making some incremental adjustments now, we are going to have a situation in this country where these young working people are going to be paying 70 percent of their income in taxes. They are going to be driven right through the floor in terms of their living conditions and in terms of their wages, and taxes are going to go through the roof. If you read anything any person who has written recently on the subject—any person who is now out of Government—and we hear talk about the Concord coalition, a bipartisan group, and about Mr. Peterson, a former Secretary of the Treasury, who wrote a recent book about it. These are not debatable issues, I do not think. It is clear that that is going to be the situation. What is that young working group of people on whom we, hopefully, all will be depending—and if we are alive, we will be—going to do?

I predict that they are not going to sit still for that. They are not going to sit still for 70 percent in taxes. They are not going to sit idly by while they see all these dire things happening. The chances are, I think, if we do nothing now and we let that happen, these very programs that the opponents of the balanced budget amendment want to protect so greatly are going to be slashed, thrown on the floor, stomped, decimated, and we will go further than anyone would ever dream of going today in terms of cutting and doing away with the programs that all of us claim to want to protect today.

Some people talk in terms of generational warfare. It will be the young folks against the old folks. Is that what we are headed toward? Are we not better than that, when we have the solution before us? Or at least an opportunity to put ourselves into a position to do something about it, because obviously we cannot under current circumstances.

The Entitlement Commission people ask why do we not do something about it. The Entitlement Commission came out with a report last August, a bipartisan group, including Senator KERREY from Nebraska, Senator DANFORTH from Missouri, two very thoughtful Members of this body, and they issued some rather startling reports. The one I remember is that in the year 2012, I guess, or thereabouts, we are going to run out of money, that a handful of programs and the interest on the debt in this country are going to take all of our tax revenues. We will not have money for national defense, infrastructure, schools, education, or anything else in this country. That is in 2012.

What has been the result? We hear that all we need is the will to do the right thing and everyone purports to have it. Everyone says that they are in support of a balanced budget, the implication being if we will just put this amendment aside that they are fighting so hard, this time maybe we can do something about it.

I was doing a little reading on the history of that. We have not been lacking in lip service. The Balanced Budget Act of 1921 required the President to recommend a balanced budget. The

Revenue Act of 1964 said it was the sense of the Congress that the budget had to be balanced, and soon. The Revenue Act of 1978 stated that it was a matter of national policy to balance the budget of this Nation. The Humphrey-Hawkins Act of 1978 prioritized a Federal balanced budget. The Byrd amendment—Senator Harry Byrd of Virginia—in 1978, was an amendment passed that basically said that in fiscal year 1981 outlays cannot exceed receipts. That was the law passed. What happened in 1981? We had a $79 billion deficit. My research has not taken me back far enough to find out what happened to that. Apparently, it was ignored and I think after a while it got embarrassing, so they took it off the books. But we had a law that basically said the budget had to be balanced, for a little while anyway.

The Budget Act of 1974 is the foundation for the budgeting process today, and it requires annual budget resolutions. People said, "We have it right this time. People will be afraid to vote for these large deficits when they have to come up with budget resolutions." The next year the deficit ballooned and, with few exceptions, it has ballooned ever since.

Gramm-Rudman-Hollings, in 1985, mandated annual reductions in deficits, and it actually had an enforcement mechanism—sequestration. That lasted a little while until the shoe got a little tight and everybody apparently decided to take the shoe off. They revised the targets. They revised them again, and ultimately they became irrelevant.

The 1990 budget deal, which I heard talked about a minute ago, is used as an example of our ability to come to terms with this deficit problem. From what I read at the time, this great bipartisan compromise, of course, involved increasing taxes, as it usually does, and the deficit increased. That was the budget deal that was supposed to get the job done. It had no affect as far as decreasing the deficit was concerned. Just the opposite. In 1993 came the latest budget deal. They are praising the President for that deal, which as I read is the largest tax increase in the history of the country, with major cuts in the military and promised cuts for the future, which we may or may not get.

Putting that aside for a minute, because even before the administration's own estimates, with all the wonderful things we are doing, it adds over $1 trillion to the debt over the next 5 years. So this is being touted as a solution. This is being touted as an example of how good we can do. It adds $1 trillion to the debt over the next 5 years.

Why is it so difficult? Well, it is because we factionalize in this country so much. Everybody has their own special interest and everybody has people they have hired to come up here and descend on us. That is, of course, a large part of what all this detailing is about and, of course, everybody wants some kind of detail. There are more proposals to balance the budget floating around this town than you can count. CBO, I noticed, had a proposal they wrote to the chairman of the Judiciary Committee with ideas on how to balance the budget. The Concord coalition has one. Mr. Peterson came out with one in his book.

What, really, I think, is desired by some folks is the ability to put something on the table so special interests can come in and put the pressure on to defeat the balanced budget amendment. So you have all the individuals who have been used to the gravy train, the pork barrel, and they do not want to give it up. The folks that are affected most are the kids at home, the little grandkids, and generations yet to be born, and in that kind of a battle, who do you think is going to win? Who has won in the past? It is going to be tough enough with a balanced budget amendment.

Other nations have not really done much better than we have. Is there any hope to think that we can easily turn this thing around without drastic remedies, if you want to call it that? I think it is very modest. I wish it was tough.

I agree with some of the opponents to this amendment that, you know, there will be efforts to try to get around it and in it, through it, under it, and all of that. But I think it really has a chance; it really has an opportunity. And it might be our last clear chance to do something really meaningful for the next generation. But how tough it is, how tough it is to turn around.

The Senator from Utah is leading this fight for us to turn this gigantic force that is working against us, this gigantic force that is working for more and more spending; putting off until tomorrow; let us consume today; let us not worry about it; get the votes today; hand out the pork today.

Read Kennedy's "Rise and Fall of the Great Powers," and Kevin Phillips recently came out with a book, "The Arrogant Capital." I do not know how in the world he came up with a name like that but that was the title of his book, "The Arrogant Capital."

They talk in these books about the history of the Nation and how the Spanish declined in the 16th century and how the Dutch went to great heights and declined in the 17th century and how the British went to great heights and declined in the 19th century. And they really sort of asked the question: Do we feel as though we in this country are immune to the laws of nature and the laws of gravity? They were unable to roll back the strong trends that were in their countries, pushing them to greater deficits, greater debts, higher taxes, slowing economy, a declining manufacturing industry, all the things that we are beginning to see in this country. So the battle is not an easy one.

You know, as we talk among ourselves, and we hear it regardless of what the people want, people talk about majority rule and all. Look at any poll, answer your phone calls, read your mail. I do not think there is any question but the American people have decided: Enough is enough. We have to do things differently. We voted for a change. We have been wanting change for some time. Maybe we thought we were trying to get it 2 years ago in the last Presidential election.

A fellow from Texas that hardly anybody knew went from nowhere and just within a few short months he got into a position where, some people said, under a slightly different set of circumstances, he could have gotten the nomination and been President, from nowhere, because he was talking about changing the way we do business in this country.

All that is going on out there. And yet we need a two-thirds vote in this body.

And I understand there are even some people who voted for the balanced budget amendment last time who are now saying that they may vote against it this time. Last time, they were pretty sure it would not pass and maybe this time they are afraid that it might pass. So it is going to be difficult.

I, again, commend the Senator from Utah, who is leading this fight and articulates this case so well. I think it is the most important vote we will have in a long, long time as far as this U.S. Senate is concerned.

I only urge those within the sound of my voice to remain focused on what this is about. The patient—and maybe we are the patient—has been acting a little crazy over the last several years, and we have not been doing the right thing, and the thing we know that we are going to have to do to get better. It sure would be good to cure the patient. But we have been taking treatment and medicine for a long time, and it is not doing us any good.

Maybe the time has come that we are going to have to impose a straitjacket on ourselves. It is not perfect. But until we show some inclination, absent getting hit over the head with a 2 by 4, to do the obvious and right thing that we ultimately have to do to protect this next generation, this is the way to go. We will worry about the details in terms of the implementing legislation, and we can have the debates that we have already started here today.

But I think it is vitally important that we get about the business of passing this amendment and make a statement that we are not so selfish that we are going to sit idly by and debate these issues forever, using the moneys

and the assets and the resources in the very country that is the birthright of the next generation; but we are going to take a step forward, say no to the vested interests, say no to those who want to continue to consume not just what they are consuming now but more and more and more, and say to everyone that we are all going to have to make some incremental change.

Is there any more basic commitment that a human being has than the one that he has to his children? If we had our child standing next to us here, there is nothing that we would not do. And yet, we are so dispersed in our attention and we are so diverted in so many different ways, we have not been able to focus on what we are doing. This debate will focus on what we are doing.

I commend the Senator from Utah and other colleagues in this great fight.

Thank you very much.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I ask unanimous consent that the distinguished Senator from New York be given the floor after I make very brief remarks about the great remarks of my colleague from Tennessee.

The PRESIDING OFFICER. The Chair wishes to make two announcements and then will recognize the Senator from New York, following the remarks of the Senator from Utah.

Mr. HATCH. Madam President, I want to compliment the distinguished Senator from Tennessee for his very, very welcome and important remarks on this issue.

I think this new group of Senators is as good a group as I have ever seen come into the U.S. Senate. We feel particularly privileged to have four of them on the Judiciary Committee, not the least of whom is the distinguished Senator from Tennessee.

In his own down-home Tennessean sort of way, he has laid out why we have to pass this balanced budget amendment. I personally just want to express my appreciation and my high regard for him. I believe that the distinguished Senator from Tennessee is going to make a whale of a difference here in the Senate, and already is making a whale of a difference on the Judiciary Committee, as I am sure he is on other committees. So I personally thank him for his kind remarks.

If people have been noticing, these new Senators have been coming here and speaking on this amendment because they got the message. They know that is one of the reasons they are here. I personally appreciate their efforts in this matter.

I yield the floor to my colleague.

APPOINTMENTS BY THE CHAIRMAN OF THE FINANCE COMMITTEE

The PRESIDING OFFICER. The Chair announces on behalf of the chairman of the Finance Committee, pursuant to section 8002 of title 26, United States Code, a substitution in the membership of the Joint Committee on Taxation. The Senator from Kansas [Mr. DOLE] has resigned from the joint committee and will be replaced by the Senator from Utah [Mr. HATCH] for the duration of the 104th Congress only. Therefore, the membership of the Joint Committee on Taxation for the 104th Congress is as follows: the Senator from Oregon [Mr. PACKWOOD]; the Senator from Utah [Mr. HATCH]; the Senator from Delaware [Mr. ROTH]; the Senator from New York [Mr. MOYNIHAN]; and the Senator from Montana [Mr. BAUCUS].

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to section 1024, title 15, United States Code, announces the following majority appointments to the Joint Economic Committee: the Senator from Florida [Mr. MACK], chairman; the Senator from Delaware [Mr. ROTH]; the Senator from Idaho [Mr. CRAIG]; the Senator from Utah [Mr. BENNETT]; the Senator from Pennsylvania [Mr. SANTORUM]; and the Senator from Minnesota [Mr. GRAMS].

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. D'AMATO. Thank you, Madam President.

Madam President, I wish to associate myself with the remarks of our new colleague, the distinguished Senator from Tennessee. I think he has spelled out very cogently why the American people voted for change. They are tired of Big Brother Government saying, "We know what's best for you. We're going to give it to you, whether you like it or not. We have programs that are good for you, whether you can pay for them or not."

The people want a balanced budget amendment, and they are right. This is no time to start playing politics as usual. This is an important issue.

I will tell you how important it is. If we continue to do business as we have in the past, we will become just like our neighbor to the south.

Who will we go to for the bailouts? Who? What are we talking about? We are not talking about cutting spending. Oh, no, we are talking about decreasing the rate of spending. We are still going to spend trillions—something like $13 trillion in the next 7 years. We are talking about maybe cutting that down to $12 trillion. If we can do that, we have a balanced budget.

What do we have here? The opposition, the Democrats, are simply and purely stalling. They are looking for a way for escape clauses. Let me tell Members, there are many of our colleagues who voted on the other side for the balanced budget amendment. What are they doing now? Why, they are scampering for the hills. The Senator from Tennessee was absolutely right. They voted for the balanced budget amendment to protect their political hide in years gone by so they could go back and say to their people, "Oh, I voted for the balanced budget amendment." They knew we could not get two-thirds.

And here we are. Here we are, poised to do something that the American people overwhelmingly want. And what are they doing? Ducking, shimmying, telling us, "How can you get there? Spell it out over the next 7 years." They cannot tell us what they are going to do next month, let alone 7 years down the line.

What are the interest rates going to be 7 years down the line? Keep spending this way, it will be 20-plus percent, we will not have any economy. The Senator is right. Know what Social Security will be worth? Know what inflation will take place? Incredible. What are we going to do then? It is about time we did the business of the people. Stop the pussyfooting.

The American people know what they want. Those Members who were sent here to do the business of the people should keep our feet to the fire. I know it will be tough. But doing the right thing sometimes does require some courage. The fact is that we should stick with the principles that the American people are demanding. They want Members to balance the budget. They want Members to cut spending, cut taxes. It is right for America. We can do it.

I have to tell Senators I am not going to look the other way. I will be very candid. If our colleagues begin this business of attempting to find these escape clauses, we will call it to the attention of the American people. We have an obligation to keep their feet to the fire, to do the business of the people.

Mr. President, in that connection, I have to say I think that the President of the United States looked for a way to get around the voice of the people. The voice of the people is the Congress. And in proposing his new agreement to help our neighbors to the south, he circumvented the Congress. Now, I hope that that plan works. But I have grave, grave doubts. I have grave doubts that

we will have the ability to see to it that those loan guarantees are not just withered away, and that we do not see the American taxpayers picking up $20 billion-plus.

I can name places I see loan guarantees and we know they will get paid back, and they do help. Maybe Orange County. I remember loan guarantees for New York. Much more difficult terms then those we have made available to our brethren in the south—Mexico. Guarantees. That means we are paid out over a period of 4 years. Not within an 18-month period of time.

I did not know if the IMF and the World Bank will do the kind of job or whether they are in a position to see that Mexico makes the kind of reforms necessary, or whether they will just continue to print paper.

I wonder, is it the business of this country to see to it that those who invested were getting 20- and 30-percent returns in Mexico, that we will hold them harmless and they will get every single dollar and get back 20 percent? Is that the business of this country? If you make an investment and there is a high risk and you get 20-percent return, people say you are a genius. But if it goes sour and you go down, do we really expect Uncle Sam, the American taxpayers, Uncle Sam to bail you out and say, "We hold you harmless."

What kind of economic stabilization program is that? I wonder why it is that we did not say to the Mexican Government, as those noteholders come due, "We will help you in renegotiating the payments and the terms." Why should people get dollar for dollar, plus 20 percent? I did not know you did that in restructuring. Certainly that is not what the capital system is about.

I have to tell Members, I think that all the doom and gloom predictions and the fact that there would be huge immigration, masses coming across the border, well, that is our Government's responsibility to see that we stop that kind of thing.

You do not threaten the American people every time there is a crisis and say, "My gosh, unless we do this, put up $20 billion, $40 billion we will have a massive migration to this country." Is that what we are coming to? Just raise that specter of fear? And we all succumb?

I hope this plan works. I have grave doubts. I predict if we look at the history, we saw economic devaluations every time there was an election. I would suggest this administration knew of this crisis, and knew of it quite some time ago. Maybe back last November. And they hid it from the American people. They did not step in and insist that conditions be met at that point in time. Now they come and say the sky is falling in. Well, that is OK but I do not think it is right that the American taxpayer has to step in.

Mr. President, I will tell you as the Senator charged with the responsibility of seeing to it that we are not wasteful, as it relates to taxpayer dollars, and being on the Banking Committee we will hold hearings and carefully monitor the execution of this agreement or the implementation, to see to it that we do the best we can to see that there are real economic reforms, and we are not taking hardworking taxpayers' money and just shoveling it down there. Then in 3 or 4 years from now throw up our hands and say, "Oh my gosh, we did the best we could do. Maybe to protect our investment we have to invest another $20, $30, or $40 million."

Look at the record and that is what it demonstrates. In 1982 the banks were holding most of the paper and took a pretty terrific loss. It seems to me that 12 years later, the only difference is, the American people may be poised that they can get a bigger hit. That is unfortunate. Thank you.

Mr. HATCH. Mr. President, I thank the distinguished Senator from New York. I appreciate his remarks, especially those on the balanced budget amendment. He certainly makes a difference in this body, and will make a difference once we pass that amendment.

Mr. President, let me assure the American people that the balanced budget amendment is neither snake oil nor a tonic. It is a necessary first step to a healthier economic lifestyle. It is as sensible as anyone who has been a binge deciding, finally, to go on a diet. This amendment puts a bloated, overgrown Federal Government, and out of control Federal bureaucrats, on a diet. Now, as our colleague from Idaho, who is certainly helping me on this amendment and is one of the leaders on this amendment, Senator CRAIG has said, if someone decides to go on diet to lose 100 pounds over 2 years, we do not ask that person to name every meal he or she intends to eat over those 2 years. To ask for a budget over the next 7 years is equally a diversion.

Indeed, just imagine if some of our colleagues had been sitting in the Constitutional Convention of 1787, in Philadelphia. Just imagine when the following clause in article I, section 9 came before the Convention: "No money shall be drawn from the treasury, but in Consequence of Appropriations made by law * * *." Oh no, these colleagues would have said, tell us how much the appropriations will be over the next 7 years or we cannot adopt this provision and this Constitution. What about the clause in article I, section 8, giving Congress the power to regulate foreign and interstate commerce? Oh no, some of our colleagues would have said in Philadelphia in 1787, if they felt the same as some of our colleagues here, we cannot give Congress the power to regulate commerce until we know the foreign tariffs and interstate regulations Congress will enact over the next 7 years. If the spirit of these colleagues of ours had prevailed then, perhaps goods from New Jersey would still be taxed by New York.

This is the Constitution we are addressing here, not a budget document.

What is important here is this: What is going to happen to our country if we do not enact this balanced budget amendment?

These monster deficits force the Federal Government to engage in massive borrowing. Interest rates are kept high and are driven higher. Home buyers face higher mortgage rates, making it more difficult for hardworking Americans to get their piece of the American dream. Home builders cannot build homes, workers do not have jobs, revenues are not paid to the Federal Government. The greater the difficulty in buying a home, the greater the problems in the home building industry. Employment will drop in that industry and in related businesses from realtors to title searchers.

The cost of buying consumer goods goes up as a result of these monster deficits and the Government borrowing it compels. Let us just take the automobile industry as another example. As the cost of credit goes up, automobile sales naturally are adversely affected. Also, workers get laid off. Auto sales and service workers at your local auto dealer get laid off. The industries which supply the automobile manufacturers all have to lay off people. Every consumer industry is adversely affected when the cost of credit goes up.

What about the impact of monster deficits on small business? Listen to a part of a statement submitted to the Judiciary Committee by the National Federation of Independent Business, which strongly supports this amendment, I might add:

> As deficits increase, the cost of capital increases. Large deficits absorb a significant portion of the available capital. As a result, private enterprises are crowded out of the pool of available credit for financing. Unfortunately, this crowding out is not borne evenly across businesses of all sizes. It is more probable that small businesses bear the brunt of this financial displacement since they have fewer financing alternatives available to them relative to larger firms. When small businesses cannot obtain capital to improve facilities, purchase equipment, and expand their operations, fewer jobs are created and less revenue is sent to the Treasury.

What a statement by the National Federation of Independent Businesses.

Opponents of this amendment ask us about tax increases. If we do not pass this amendment and put the Federal Government on a fiscal diet, taxes are clearly going to go up to pay the ever-increasing interest on the ever-growing national debt. I do not know any American who really wants that to happen, to just throw more money down the drain on the national debt's interest. Golly, when are we going to get it under control?

Here is what the National Taxpayers Union says:

A child born today faces a huge bill by the time he or she is old enough to vote at age 18. Paying interest on the national debt accumulated just in this child's first 18 years of life will cost that child's family over $103,000 in extra taxes on average over his or her lifetime.

This assumes an annual deficit of $285 billion for this child's first 18 years and the National Taxpayers Union notes that the Congressional Budget Office projects that the deficit will average $285 billion over the next 11 years. So our children and our grandchildren will pay and pay and pay unless we pass this amendment.

The American people want change. The amendment is part of that change. We cannot keep going the same old way around here. The old order, it seems to me, has to give on this issue. And if we do not get the votes on this issue, then we have to rise up and get rid of the old order. It is just that simple. Not because we dislike them or not because they are not nice people or not because we do not like our own Senators when they are at home; we have to get rid of them, we have to get people here who mean business on this.

If we do not pass this balanced budget amendment this time, we may never have a chance to do it again. It may be too late. But if we do pass it, then everybody here knows the game is over, they know the States are going to ratify this amendment, and they know that we are going to have to get to work over the next 7 years to get that trend line down to a balanced budget. It is that simple.

The distinguished Senator from West Virginia has told us how much a balanced budget will hurt the States and the American people and public. I do not think any of us here have claimed it will be easy to balance the budget or that there will be no pain involved. We are not painting nirvana here. We are saying there is going to be pain, but pain with gain ultimately.

For the first time in 19 years—really, the first time in recent history—Congress will be forced to make priority choices among competing programs, and they will have to choose those that are the most important programs, those that do the most good, and maybe let those that are marginal and some that are not as good go, just as you do when you do your budget, just as the States do when they do theirs. We all know it is going to be difficult to cut back on spending. As the Federal Government goes on a diet, the States and our American citizens are smart enough to know that they are going to have to tighten their belts, as well. It is about time. It is about time that we all just come to that conclusion because that is where we are, and there is no other way around it.

This diet involves more than just cutting our spending practices. It means a lifestyle change from the spending binges of the past. It means changing the old order. It means changing the old ways. It means moving into the 21st century with new ways. These new Senators are making a difference. I notice one of them sits in the chair right now, from Pennsylvania. He got elected in part because he was willing to stand up on this issue, and he is going to get reelected again because he is voting for it. Those who do not are going to be the ones who have the troubles.

We must all evaluate our current programs and spending levels to determine their effectiveness. This includes our State programs, as well. If we did not launder all the money through the Federal Government, there would be a lot more money for the States, only it would not be laundered and there would not be just 28 percent come to the States out of the laundering. They would have 100 percent, and they would not have to increase taxes to get there.

The numbers given to us by my colleague from West Virginia regarding the grants given to States assume that each and every program will be continued in its current form. I doubt that this is going to be true. I do not see how anybody cannot doubt that is going to be true. We are not going to keep all these same programs in their current form. We are going to have to change some of them. We are going to have to delete some of them. They are going to be the lesser programs, the ones that do not count as much as others. Some States may be happy to end some of these programs we force on them. But each of the States will respond in its own way to meet the priorities of its own citizens.

As the ability of Congress to overspend disappears, we will be forced to evaluate where the money is going. This means that we should put the money into the most effective programs and stop funding the wasteful programs that just are not working.

We will have to examine our priorities and adjust our spending accordingly. We have seen many proposals to balance the budget without cutting Social Security, Medicare, or other vital programs. While I do not know of one that is the ultimate solution, they do show us that with a lot of cooperation and work, we can find a roadmap to balance the budget.

One example, for instance, would hold the growth of Federal Government spending, currently at 5.4 percent per year and going up, to 3.1 percent a year. This would balance the budget by the year 2002. If we exclude Social Security and constrain the spending growth to just 2 percent, the budget would still be balanced—and that is excluding Social Security.

This is without eliminating a single program. There are ways of doing it. We just do not have the will to do it nor the need to do it because we do not have the constitutional requirement or mandate to do it. If we put this in the Constitution, I do not know of a Senator in this body who would not change his or her legislating style, who would not change his or her attitude about spending, who would not try to live up to the mandate of the Constitution. We swear to do so, and I believe everyone here will.

I realize that it is not as simple as I just explained with regard to the 2-percent increase in the budget each of the next 7 years—we can reach a balanced budget without really cutting the programs—but we will have to examine the spending patterns of the Federal Government. We will have to eliminate some well-intentioned programs that are not working or not working well, and reform other programs that are not working as well as they could.

The important point, however, is that we can get there, but we will not get there unless we put this mechanism into the Constitution.

It is not painless, and we will all feel the pinch with the reduced spending that will be necessary to balance the budget. But if we do not balance the budget, it will cause each and every American taxpayer even more pain. If we continue to increase the debt, inflation will skyrocket and the dollars used by every American citizen will be worth less, especially when we will be forced to monetize the debt. This will hurt even more than tightening our belts and making the spending cuts necessary to balance the budget. If we do balance the budget now, we will all share the benefit. It will not be too much for any single individual. We will all have to share.

More importantly, however, we will all feel the benefits of lower inflation, a more valuable dollar, and the security of knowing that except in times of war or other hostilities, or in times of severe depression, we will maintain a balanced budget, which is what the Founding Fathers really wanted, and what they really assumed would be the rule under the Constitution.

This amendment will help us to do a better job. This will do away with this old attitude that if we just tax and spend, we can get elected. The system will change to where we can get elected if we live within our means, conserve the Federal Government's money, the people's money, if you will, work with the States, and quit intruding into everybody's life every day as the Federal bureaucracy does now.

This country is in trouble. We are fighting with all we have to try to solve the problems of this country, and this particular amendment can do it. In all honesty, our spending in this country is at runaway proportions. We are destroying our country. We are destroying the future of our young people. For the first time in history—I repeat it one more time—our kids do not

99-059 O—97 Vol. 141 (Pt. 3) 15

have the promise of a better future that we had. And I really, really resent that.

This is the greatest country in the world. I suppose we could survive anything because of the resilience of the American people. But we could survive better if we do what is right. This country, if it is righteous and it does what is right and it lives within its means and if Congress has the incentive to live within its means, will always be the greatest country in the world. But if we do not do right and we keep spending like we are spending and we keep interest against the national debt rising like it is rising, compounding every year, this country will slip; it will fall; this whole hemisphere will be affected; the whole world will be affected; and our dollar will fall in value to the point where those who are on fixed incomes, including our seniors on Social Security, will be the most hurt.

This is important to our country's future. This is the single most important vote that we will be casting when we vote up or down on this amendment. I am quoting Senator KENNEDY and Senator BIDEN when I say that. But I agree with them. This is the most important vote most of us will ever make. In order to get there we have to vote down all the killer amendments that will make it more difficult to pass it again in the House—and that is the purpose of them—and will make it more difficult to pass it here. We are going to have to stand up and vote.

Now, I believe that we will have 67 Senators who believe enough in this country to vote for a balanced budget amendment. The only chance we have is this bipartisan consensus, Democrat-Republican amendment, and acknowledge that it was no small achievement for the House of Representatives to pass this through for the first time in history. We have done it before in the Senate, but we have also failed before. This time we do not intend to fail. If we win, it is going to be because the American people got involved. So I hope everybody out there listening to this really inundates this Senate with the demand that we pass the balanced budget amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, the Senate appears to be drawing fairly close to the end of a week in which Members have spoken in relatively general terms about the desirability or lack of desirability of a constitutional amendment to nudge this Nation along the road toward a balanced budget. Soon we will be dealing with specific amendments to this proposed constitutional amendment and I wish to speak for just a moment both in general terms and in specific terms.

In general terms, we face the proposition that divides this body, I believe at this point, simply into two camps. Earlier this week, I had thought there were three different and distinct attitudes, but I have heard only two. There are those who, like myself, believe that the country is in a serious crisis, that the status quo is unsatisfactory, and that the situation, the set of rules under which we have operated—not just for years but for generations—will not and cannot serve to lead this country along the road to fiscal sanity and a balanced budget and that, therefore, drastic action in the form of a constitutional amendment is necessary. I believe that expresses the views of a significant majority of the Members of this body—I hope of two-thirds of the Members of this body.

Those who oppose this constitutional amendment, however, have either brought up rather narrow technical objections to it or have stated almost without exception their devotion to the idea of a balanced budget but their views that to change the Constitution in order to encourage it is a bad idea. I believe they are wrong. I believe those who feel that we should have a balanced budget but that we can reach that goal without a profound change in the system under which both the Congress and the President of the United States operate have a tremendously difficult burden of proof. Because, of course, the rules that they want to continue in effect have been the rules during the entire time in which this multitrillion-dollar debt has been built up.

How is it that they feel that suddenly, without any change in the system under which we operate, we will nevertheless reach a goal which has eluded us for such an extended period of time? That, it seems to me, should be the central focus of this debate by the one group which stands for the status quo, mostly on the liberal side of the spectrum, which nevertheless gives lip service to a balanced budget, but which has given us not the slightest hint as to the road to be traveled in order to reach that end.

If I understand it correctly, beginning tomorrow or certainly sometime during the course of the next week, we will be faced, by adding to the Constitution of the United States detailed provisions pursuant to which those who feel the change in the Constitution is necessary will be required to outline, in absolute, binding detail in the laws of the United States, precisely the road by which we will reach that goal by the year 2002, ignoring the fact that there will be three new elections for Congress between now and that year in which different Members will be elected, during which time crises in our international affairs may or may not arise, crises in our own domestic and economic affairs may or may not arise, with new Members with new knowledge who may wish an entirely different course of action than any we could possibly outline here.

Nevertheless, those who believe in the status quo will be asking us to bind ourselves to a precise, legally binding, detailed blueprint of the way in which this goal will be reached.

Mr. President, it is my position that it is they, not we, who should provide us with that detailed blueprint.

We believe that dramatic change is necessary. We look at the history of the last decade or decades, and say the system is broke. We wish to fix it. The way in which we wish to fix it is to strongly, in the Constitution of the United States, encourage a balanced budget by requiring a significant supermajority which can unbalance one, which is still to be possible under emergency circumstances when a bipartisan majority feels that it would be necessary. We do not have, and we should not have, a detailed blueprint about how to reach that goal because, if this proposal becomes a part of the Constitution, all will be a part of the solution, those who favor it and those who oppose it, including the President and future Presidents of the United States. The entire challenge will seem quite different to us and to the Nation at that point. And we will learn. I think we will learn that it may be a little bit easier than we had thought because the commitment to do so in and of itself will, I think, lower interest rates, for example, here in the United States.

It will be my position, and I think the position of many others here, that the group of Members of this body and the people in this country who believe the status quo is good enough, who do not want change, who do not believe change is necessary, but who nevertheless, as they have almost without exception, given lip service to a balanced budget, it is they who are under the duty of telling us exactly how they will reach that goal without a change in the Constitution, without a change in the rules in which we operate in this Senate.

Mark my words, Mr. President. Next week, as we begin to cast votes on these various amendments to the amendment, one fact should remain before all of the American people. We are either for or against this change. We are either for or against a new way of doing business. We are either for or against the status quo. And those who try to hide or obfuscate that issue through changes, through technical objections, through demands for detailed

blueprints, essentially are saying the status quo is just fine.

Those who hold to the goal of this proposed constitutional amendment in this form, the form in which it passed the House of Representatives, are truly those who are devoted to a new and different way of doing business, a way of doing business in which we no longer spend whatever we like and pass the bill on to our children and grandchildren.

That is the issue we began to debate this week. It will be the issue in every vote we take until finally, as I hope we will, we pass this joint resolution and send it to the people of the 50 States for their ratification.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, I thank the Presiding Officer for his courtesy.

Mr. President, as I struggle to get over my disbelief that we are back at this, I rise once again to express my views of a constitutional balanced budget amendment.

The basic reasons I oppose this amendment are the same ones that led me to vote against it on the two previous occasions—since I joined the Senate—that it has been before this body.

Congress does not need the U.S. Constitution to perform its responsibility for the Federal budget. We were elected to make the decisions about where to spend the hard-earned tax dollars of Americans, and where not to spend those dollars. We were elected to make the decisions required to adapt to the country's needs and to keep us militarily and economically strong. We do not need to add another page to the Constitution to do our job.

And some of us have worked very hard in the recent years to, in fact, do the job of digging out from the exploding deficits of the 1980's, reducing the deficit, and changing the priorities of the Federal budget in order to cut waste and increase investment in America's future. I have cast many votes in the recent years for actual cuts, for detailed changes in policy, and for specific budget plans—all the time, watching many colleagues vote the other way because somehow those specific ideas just weren't quite palatable or perfect enough for him.

It is no accident that the Federal deficit will drop this year for the third year in a row, for the first time in 50 years. The deficit finally started to shrink because instead of waiting to get the Constitution to tell us to cut spending and require some fiscal discipline, we did it ourselves.

I want to see the Federal budget balanced, too. But I refuse to strap the Federal budget into a speeding train, having no idea who and what in my State of West Virginia that train will crush. I got elected to help steer that train, to help set its speed, and to adjust its route—so we can change course when we need to deal with less than minor matters like recessions, natural disasters, military crises, and other dire needs or situations.

As a former Governor of West Virginia, I am shocked every time I hear proponents of the constitutional amendment say "this is just doing what States have to do." That is completely and utterly wrong, and it is insulting and misleading to the American people. Every Governor and every State government has tools, outside of its operating budgets, to borrow and to invest. Through bonds and other methods, States can build and repair roads, improve schools, and lay the ground for the needs of their people. Under this constitutional amendment for a Federal balanced budget, that would not be possible. This proposal is nothing less than a straitjacket that just might suffocate the prosperity and economic growth that determines whether there are jobs and opportunity for Americans.

This is where economics is not just about textbooks or abstract theories. To eliminate the Government's ability to stimulate the economy or to intercede in a crisis is to create a recipe for disaster. Whether economic growth were strong or weak would be ignored in the name of a balanced budget. Recessions would be more frequent, longer, and tougher to pull out of. Large spending cuts or tax hikes would be required in times of slow growth, just when the opposite is called for because cutting Government spending or raising taxes slows the economy even more. Passing a balanced budget amendment would exaggerate rather than mitigate America's shifting economic fortunes.

This year, I feel even more strongly that the constitutional balanced budget amendment is a bad idea whose time has not come. That is because there is another script that many of this amendment's proponents are working from this year. It is called a plan to generate tax cuts that are expected to cost between $400 and $700 billion over the same 7 years that this amendment would require a balanced budget. These are tax cuts that go far beyond relief for hard-working Americans and the middle class. You will find it in something called the contract for America, and it is a script that wants to stage the revival of tax cuts for the wealthy and corporations—this time with the hope it will not pull the rug out from the rest of Americans like it did before.

Well, Broadway should stick to bringing back old scripts, not Capitol Hill. In representing West Virginia, I don't want to see any revivals of past nightmares.

When I was Governor, and watched Congress promise to balance the budget while cutting taxes, I saw what happened in living color. Our plants that shut down and threw working families of West Virginia into foreclosures and bankruptcies. Our kids who dropped out of college because tuition money had to go to their families' mortgage payments and medical expenses. Our senior citizens who kept thermostats at 58 degrees because they could not afford heating oil.

So when I say I want to see the hidden details of this balanced budget amendment, it is not for political reasons or academic curiosity. It is because of the contract I have with West Virginia. It is because now I am here, not in the State House, to cast my vote and say show us just how you are going to get this done.

For those who want to put the Federal budget on this speeding train, where's your map? Who gets thrown off the train, and who gets to stay on? Will it be the programs and services that feed children, care for veterans, pay our rural hospitals, and keep our water clean and safe? Will the highways now being finished in my State—while other States got theirs paid for before us—end up being roads to nowhere because the money will run out? Will our seniors find out that Medicare cannot keep its promise just when they need health care?

West Virginia has the right-to-know what the script will be this time. If it is to be a reprise of the 1980s, we are not buying tickets. We saw the unemployment rates or some of our counties soar over 50 percent. We lost $1.7 billion in aid—the largest per-capita in the Nation—almost $1,000 per person. We watched our plants close, we watched our hospitals shut services, we watched our schools work with fewer resources, and we were forced into a recession that the State is only now starting to pull out of. So West Virginia will not be trampled again.

I understand the lure, the appeal, the aroma of a constitutional amendment to balance the budget. Write into the most sacred document of this Nation, one of the most venerable documents in the world, that we, the Congress, will require that expenditures made by the Federal Government do not exceed its revenues.

But this is the classic case of putting the cart before the horse. In the real world, this promise means coming up with a total of $1 trillion in actual budget cuts over 7 years—years that are going to fly by very quickly. If those tax cuts for a lot of non-middle-class Americans get thrown onto the equation, we are talking about $1.4 trillion in spending cuts. Then, if Social

Security is excluded, defense is given special protection, and there are few other untouchables, what exactly does $1.4 trillion in budget cuts mean to the people of West Virginia—and to the people of the other States?

Just when West Virginia is getting up from the beating we took over a decade ago, we face this. Just as our industries and workers are standing up to the challenges of the new economy, determined to make it, we face this.

This amendment, with those added tax cuts, threatens to pull $2.7 billion away from West Virginia. That means much less for education, job training, housing, health care, student loans, veterans services, you name it. That means less to feed schoolchildren, support our police, invest in our university research.

Even some proponents of the balanced budget amendment are realizing that, this time—as a new car called $400-billion-plus of tax cuts is hitched onto the speeding train—this time, we all better know what the route consists of.

For example, it is not possible to achieve $1.4 trillion in cuts without squeezing unprecedented amounts of money out of Medicare, Medicaid, and veterans health care and benefits. It is just not possible. The Senate Budget Committee staff have even acknowledged that $644 billion will have to come somehow from the so-called entitlement programs—except for Social Security—over the next 7 years to hurl the budget into balance. Maybe the nightmares will not happen. Maybe seniors will not find benefits cut off. Maybe the veterans hospitals can stay open. Maybe we will not just give up on immunizing poor children. But maybe not. We could be sending people over cliffs with this train.

Again, that's why I add my voice to the right-to-know idea. The proponents of this amendment have an obligation to think through what course they will take. Will it be a collision course for our economy, finally growing again, facing intense competition from other nations while working families can't seem to get their incomes up? Or maybe there's a map I haven't seen yet—one that accelerates the deficit reduction that I also want, but keeps the country and my State on an even course.

Mr. President, the tools for deficit reduction are already in hand. Cutting wasteful and frivolous spending, creating a climate for productivity with accessible credit and sound trade policies, and keeping workers on the job. That's just common-sense deficit reduction.

I will not change that stand until those who support this amendment can detail all the spending cuts and tax increases necessary to reach the promised land. Show my people the plan. Show Americans the specifics, so we can also debate how they will affect our economy. Show this Nation's hard-pressed families how they will send their kids to college when student loans disappear. Show American industry and workers how we will keep up with our competitors when we just give up on research that plants the seeds for the next wave of technology. Show Governors, State legislators, mayors how the greatest unfunded mandate of all time—this balanced budget amendment—will help them pick up the pieces. What happens when States and communities do not get the funds to fight crime, train teachers, promote their exports, or repair their bridges?

We watched some of this show already, and it was a huge flop. In the 1980's, we watched arbitrage kings and junk-bond peddlers make fortunes while factories padlocked their gates and cast workers into the cold. We saw a nation divided into winners and losers as budget efforts took from those who could give least and asked little, if anything, from those who had the most. The middle-class worked harder just to keep up, the poor got poorer with less chance to get ahead, and the rich rode first class as they profited.

In the recent years, and I do not just mean the past 2 years under a Democratic President, I thought Congress was figuring out that it was time to take a different approach. No more games, no more empty promises. If we deserve to be here, we have to make real choices and honest decisions. When enough of us started doing that, then and only then did the Federal deficit start to shrink. The job is far from done, and it is not getting any easier. But by working out a balance between what must be done to invest in our people and use their hard-earned tax dollars more wisely, we have a course that I see as far less reckless and dangerous than strapping this amendment onto the U.S. Constitution.

The balanced budget amendment is a quick-fix for a problem that has grown because of quick-fixes. West Virginia does not deserve any repeats of a cruel and unfair past. So spell it all out for us—every spending cut and every tax—and show us where the money to balance the budget this quickly, with constraints that not a single State government is under, will come from. Until you can, do not ask West Virginia to sign on. We know the old saying, "Fool me once, shame on you. Fool me twice, shame on me." And we will not get fooled again.

I thank the Chair and I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, in the last few minutes here before we pack up and call it a day, I wanted to respond to some of the comments that the Senator from West Virginia just made while I was presiding. He made some comments that were familiar in tone, that I had been hearing throughout the day and throughout the week by so many Members who have risen in opposition to the balanced budget amendment.

I keep hearing this familiar refrain, "I am for a balanced budget—but." "I really believe in a balanced budget—however." "We need to get to a balanced budget but this constitutional amendment just is not the way to do it." "You need to tell us how you are going to get there. But I want to get there, too, but I do not need to tell you but you need to tell us, because you are for a balanced budget amendment." Or, you are for a balanced budget amendment but you are not for this amendment, because this amendment says that we are going to have a balanced budget by the year 2002.

Then when are you for a balanced budget amendment? If not in the year 2002, are you for a budget balanced budget in 2003? 2004? 2005? Pick a number. Tell us when you think we should have a balanced budget, and then you tell us how you will get us there. But do not stand and say that you are for a balanced budget in the abstract, but it would be too painful and too hurtful to your State or to the individuals that you know who will suffer under this, to get there. You are either for a balanced budget and for the commitment to get there, or you are just talking. And we have been doing a lot of talking here in the Senate and the House for a lot of years about how we are going to get to a balanced budget.

Now, the Senator from West Virginia said that he took pride in the vote he cast 2 years ago, 1993, that put us on course. We are on course, he said. We are on course. I do not know if he has seen some of the deficit projections by the Congressional Budget Office. We are not on course to a balanced budget. We are not even close to being on course to a balanced budget. This budget is going to hang around where it is right now for the next couple of years, and then just goes way up again around the turn of the century, doubling from where it is today. We are not on course for a balanced budget.

We must do something just to keep the deficits where they are now. We will have to pull back Government, or, as some would propose, increase taxes, just to hold where we are as far as annual deficits. So we are not on course. We are way off course.

Now, I come from southwestern Pennsylvania, which is the border of West Virginia. I actually lived the first 7 years of my life in West Virginia. I am very familiar with West Virginia. And I am very familiar with the pain that a lot of the people in West Virginia and southwestern Pennsylvania and around the Pittsburgh area where I am from, suffered during the early 1980's. And I represented a congressional district before I came here where in the late 1970's there were over 110,000 steelworkers working in my district. When I was sworn into office in the early 1990's, there were less than 15,000 steelworkers remaining.

Now, I know what economic devastation is, but I can tell Senators, the people in that district, the people in West Virginia, are not concerned about the next Government program we will create to put them back to work or to train them. What they want are good, private sector jobs. And that is what responsible fiscal policy will get this country. Sound fiscal policy will stabilize this economy and create jobs into the future.

I look forward to the opportunity to respond further to the Senator from West Virginia and others on that side of the aisle. I see it is time to wrap things up, so I will yield the floor.

Mr. HATCH. Mr. President, I want to compliment the distinguished Senator from Pennsylvania. I cannot say what it means to me to see these new Senators on the floor coming down here and standing for the balanced budget amendment. All 11 of them do. It is an amazing transition, an amazing change. As somebody who has been fighting for this for the last 18, 19 years, I have to say, these folks, like the distinguished Senator from Pennsylvania, are making a difference. And they will make a difference, coupled with heroic Democrats who are willing to fight side by side with us because—whether liberal or conservative—they feel that it is now the time to make this change. We have to do it.

So I want to compliment the distinguished Senator from Pennsylvania. I have great respect for him. He deserves it. He is a great addition to this U.S. Senate. I hope he will keep fighting side by side us on this and other matters.

MESSAGES FROM THE HOUSE

At 3:55 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 101. An act to transfer a parcel of land to the Taos Pueblo Indians of New Mexico.

H.R. 400. An act to provide for the exchange of lands within Gates of the Arctic National Park and Preserve, and for other purposes.

H.R. 440. An act to provide for the conveyance of lands to certain individuals in Butte County, California.

H.J. Res. 50. Joint resolution to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center."

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent and referred as indicated:

H.R. 101. An act to transfer a parcel of land to the Taos Pueblo Indians of New Mexico; to the Committee on Energy and Natural Resources.

H.R. 400. An act to provide for the exchange of lands within Gates of the Arctic National Park and Preserve, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 440. An act to provide for the conveyance of lands to certain individuals in Butte County, California; to the Committee on Energy and Natural Resources.

H.J. Res. 50. Joint resolution to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center"; to the Committee on Energy and Natural Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

Eleanor Hill, Virginia, to be Inspector General, Department of Defense.

The following-named officer to be placed in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Ira C. Owens, 521-38-8641, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Paul E. Menoher, Jr., 547-52-5071, U.S. Army.

The following-named brigadier generals of the U.S. Marine Corps for promotion to the permanent grade of major general, under the provisions of section 624 of title 10, United States Code:

To be major general

Brig. Gen. Leslie M. Palm, 565-60-4210.
Brig. Gen. Michael J. Williams, 220-40-8024.
Brig. Gen. Lawrence H. Livingston, 288-32-2928.
Brig. Gen. Martin R. Steele, 430-86-2490.
Brig. Gen. Frederick McCorkle, 413-70-7324.
Brig. Gen. Michael D. Ryan, 114-34-3367.
Brig. Gen. Patrick G. Howard, 235-70-4011.
Brig. Gen. Wayne E. Rollings, 249-68-9771.

The following-named officer for reappointment to the grade of Vice Admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. William C. Bowes, 119-32-9584, U.S. Navy.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code 601(a):

To be lieutenant general

Maj. Gen. John N. Abrams, 231-68-5774, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Guy A.J. LaBoa, 467-58-5673, U.S. Army.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. THURMOND. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the RECORDS of January 6 and 10, 1995 and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of January 6 and 10, 1995 at the end of the Senate proceedings.)

*Lt. Gen. Ira C. Owens, USA to be placed on the retired list in the grade of lieutenant general (Reference No. 92).

*Maj. Gen. Paul E. Menoher, Jr., USA to be lieutenant general (Reference No. 93).

*In the Marine Corps there are 8 promotions to the grade of major general (list begins with Leslie M. Palm) (Reference No. 94).

*Vice Adm. William C. Bowes, USN for reappointment to the grade of vice admiral (Reference No. 96).

**In the Air Force there are 5 promotions to the grade of lieutenant colonel and below (list begins with Rex E. Carpenter) (Reference No. 100).

**In the Air Force Reserve there are 3 appointments to the grade of lieutenant colonel (list begins with William H. Bobbitt) (Reference No. 101).

**In the Air Force Reserve there are 19 promotions to the grade of lieutenant colonel (list begins with Travis D. Balch) (Reference No. 102).

**In the Air Force Reserve there are 32 promotions to the grade of lieutenant colonel (list begins with David S. Angle) (Reference No. 103).

**In the Army there are 2 promotions to the grade of colonel (list begins with Stephen M. Bahr) (Reference No. 104).

**In the Army there are 15 promotions to the grade of colonel (list begins with John E. Baker) (Reference No. 105).

**In the Army there is 1 appointment as permanent professor at the U.S. Military Academy (Colonel Kip P. Nygren) (Reference No. 106).

**In the Army Reserve there are 14 promotions to the grade of colonel and below (list begins with David A. Gutowski) (Reference No. 107).

**In the Army Reserve there are 9 appointments to the grade of colonel and below (list begins with Eduardo C. Cuison) (Reference No. 108).

**In the Army Reserve there are 34 promotions to the grade of colonel and below (list begins with James E. Akers) (Reference No. 109).

**In the Army Reserve there are 33 promotions to the grade of colonel and below (list begins with Charles M. Coleman) (Reference No. 110).

**In the Army Reserve there are 41 promotions to the grade of colonel and below (list begins with Frank D. Chaffee) (Reference No. 111).

**In the Army Reserve there are 23 promotions to the grade of colonel and below (list begins with Richard E. Cooley II) (Reference No. 112).

**In the Army Reserve there are 49 promotions to the grade of colonel and below (list begins with Michael P. Breithaupt) (Reference No. 113).

**In the Army there is 1 promotion to the grade of lieutenant colonel (David E. Bell) (Reference No. 114).

**In the Army there is 1 promotion to the grade of lieutenant colonel (Leopoldo A. Rivas) (Reference No. 115).

**In the Army there are 35 appointments to the grade of major (list begins with John C. Aupke) (Reference No. 116).

**In the Army there is 1 promotion to the grade of major (Darryl A. Wilkerson) (Reference No. 117).

**In the Marine Corps there is 1 promotion to the grade of colonel (Thomas E. Sheets) (Reference No. 118).

**In the Navy and Naval Reserve there are 28 appointments to the grade of commander and below (list begins with Michael J. Esper) (Reference No. 120).

**In the Navy and Naval Reserve there are 42 appointments to the grade of commander and below (list begins with Claudio Biltoc) (Reference No. 121).

**In the Army there are 168 appointments to the grade of colonel and below (list begins with Richard Monnard) (Reference No. 122).

**In the Air Force there are 2,168 promotions to the grade of lieutenant colonel (list begins with George M. Abernathy) (Reference No. 123).

**In the Air Force there are 2,776 to the grade of major (list begins with Milton C. Abbott) (Reference No. 124).

**In the Air Force there are 2,523 appointments to the grade of captain (list begins with Donald R. Adams, Jr.) (Reference No. 125).

**In the Army there are 80 promotions to the grade of colonel (list begins with John F. Armstrong) (Reference No. 126).

**In the Army Reserves there are 600 promotions to the grade of colonel (list begins with Glendon L. Acre) (Reference No. 127).

**In the Marine Corps Reserve there are 85 promotions to the grade of lieutenant colonel (list begins with Karen J. Anthony) (Reference No. 128).

**In the Navy there are 809 appointments to the grade of captain and below (list begins with Joseph A. Surette) (Reference No. 129).

*Maj. Gen. John N. Abrams, USA to be lieutenant general (Reference No. 145).

*Maj. Gen. Guy A.J. LaBoa, USA to be lieutenant general (Reference No. 147).

**In the Air Force there are 32 appointments to the grade of colonel and below (list begins with Lydia D. David) (Reference No. 148).

**In the Army there are 4 promotions to the grade of major (list begins with Ajay Verma) (Reference No. 149).

**In the Army there are 44 promotions to the grade of lieutenant colonel (list begins with Rose J. Anderson) (Reference No. 150).

**In the Army there are 66 appointments to the grade of captain (list begins with Michael T. Adams) (Reference No. 151).

**In the Air Force there are 1,002 appointments to the grade of second lieutenant (list begins with David W. Abba) (Reference No. 152).

Total: 10,759.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CONRAD:

S. 332. A bill to provide means of limiting the exposure of children to violent programming on television, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI (for himself, Mr. JOHNSTON, and Mr. LOTT):

S. 333. A bill to direct the Secretary of Energy to institute certain procedures in the performance of risk assessments in connection with environmental restoration activities, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MCCONNELL (for himself and Mr. BIDEN):

S. 334. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to encourage States to enact a Law Enforcement Officers' Bill of Rights, to provide standards and protection for the conduct of internal police investigations, and for other purposes; to the Committee on the Judiciary.

By Mr. LOTT:

S. 335. A bill for the relief of Joe W. Floyd; to the Committee on Armed Services.

S. 336. A bill for the relief of John T. Monk; to the Committee on Veterans' Affairs.

By Mr. D'AMATO:

S. 337. A bill to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DASCHLE (for himself, Mr. ROCKEFELLER, Mr. AKAKA, Mr. KERREY, Mr. DORGAN, and Mr. CAMPBELL):

S. 338. A bill to amend title 38, United States Code, to extend the period of eligibility for inpatient care for veterans exposed to toxic substances, radiation, or environmental hazards, to extend the period of eligibility for outpatient care for veterans exposed to such substances or hazards during service in the Persian Gulf, and to expand the eligibility of veterans exposed to toxic substances or radiation for outpatient care; to the Committee on Veterans' Affairs.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 339. A bill to ensure the provision of appropriate compensation for the real property and mining claims taken by the United States as a result of the establishment of the White Sands Missile Range, New Mexico; to the Committee on Armed Services.

By Mr. BROWN:

S. 340. A bill to direct the Secretary of the Interior to conduct a study concerning equity regarding entrance, tourism, and recreational fees for the use of Federal lands and facilities, and for other purposes; to the Committee on Energy and Natural Resources.

S. 341. A bill to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes; to the Committee on Energy and Natural Resources.

S. 342. A bill to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DOLE (for himself, Mr. NICKLES, Mr. BOND, Mrs. HUTCHISON, Mr. MURKOWSKI, Mr. LOTT, Mr. COCHRAN, Mr. HATCH, Mr. DOMENICI, Mrs. KASSEBAUM, Mr. COATS, Mr. ABRAHAM, Mr. INHOFE, Mr. SMITH, Mr. SANTORUM, Mr. THOMPSON, Mr. WARNER, and Mr. KYL):

S. 343. A bill to reform the regulatory process, and for other purposes; to the Committee on the Judiciary.

By Mr. SHELBY (for himself and Mr. HEFLIN):

S. 344. A bill to direct the Secretary of the Interior to make technical corrections to maps relating to the Coastal Barrier Resources System, and for other purposes; to the Committee on Environment and Public Works.

By Mr. WARNER (for himself and Mr. ROBB):

S. 345. A bill to authorize the Secretary of the Interior to acquire and to convey certain lands or interests in lands to improve the management, protection, and administration of Colonial National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DOMENICI (for himself and Mr. INOUYE):

S. 346. A bill to establish in the Department of the Interior the Office of Indian Women and Families, and for other purposes; to the Committee on Indian Affairs.

By Ms. SNOWE (for herself and Mr. BROWN):

S. 347. A bill to amend the Immigration and Nationality Act to make membership in a terrorist organization a basis of exclusion from the United States; to the Committee on the Judiciary.

By Mr. NICKLES (for himself, Mr. DOLE, Mr. BOND, Mrs. HUTCHISON, Mr. MCCONNELL, and Mr. LOTT):

S. 348. A bill to provide for a review by the Congress of rules promulgated by agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MCCAIN (for himself and Mr. KYL):

S. 349. A bill to reauthorize appropriations for the Navajo-Hopi Relocation Housing Program; to the Committee on Indian Affairs.

By Mr. BOND:

S. 350. A bill to amend chapter 6 of title 5, United States Code, to modify the judiciary review of regulatory flexibility analyses, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD:

S. 332. A bill to provide means of limiting the exposure of children to violent programming on television, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE CHILDREN'S MEDIA PROTECTION ACT OF 1995

Mr. CONRAD. Mr. President, today I rise to introduce the Children's Media Protection Act of 1995.

Mr. President, last Tuesday, the President in his State of the Union Address, asked Americans to take responsibility for their lives, to keep families together, and to keep communities from falling apart. As part of that challenge, the President expressed his continuing concern over media violence and challenged the media industry by saying,

You do have a responsibility to assess the impact of your work and to understand the damage that comes from the incessant, repetitive, mindless violence and irresponsible conduct that permeates our media.

Mr. President, I agree, and so do the experts. Let me quote the Guggenheim Foundation from the study of "Violence in Society." They said, "The scientific debate is over. A recent summary of 200 studies published through 1990 offers convincing evidence that the observation of violence as seen in standard, every day television entertainment, does affect the aggressive behavior of the viewer."

Mr. President, while the scientific debate is over, the public policy debate continues into its fifth decade.

Let me just turn to a chart which shows that violence in our society is far above that of any other industrialized nation. This chart is titled "Crime Across the Globe, Murders Per 100,000 in 1990." The United States, 9.4; Canada, 5.5; Denmark, 5.2; France, 4.6; Australia, 4.5; Germany, 4.2; Belgium, 2.8, and on it goes down to Japan at 1.2.

Mr. President, we have a problem in this country. No one is suggesting that violence in the media is the sole cause; certainly, it is not. But to deny that it plays a part is to deny what all of us instinctively understand. We learn by watching what others do, and many children in our society are spending 6 hours a day watching television. What do they see? One thing they see is endless acts of mindless, gratuitous violence. Mr. President, it has an affect and it is a bad affect. It teaches children that one way to deal with problems is to engage in acts of violence. And in many cases it teaches them that there are no consequences, there is no pain. People are blown away and it does not make a difference.

We know better. We know it does make a difference, and we know this is not what we should be teaching our children. Because of a lack of action on this issue, I formed the Citizens Task Force on TV Violence, comprised of 28 national organizations representing medical professions, parents, educators, law enforcement, and churches. We formed that group in June 1993.

In December of that year, the Attorney General, Janet Reno, asked us for a set of recommendations. We submitted seven recommendations to the Attorney General. Those recommendations called for the adoption of a tough entertainment-media violence code, support for technology that would permit parents to more effectively monitor children's viewing of television. We recommended strengthening the Children's Television Act of 1990, scheduling hearings by the FCC on television violence, convening a White House Conference on Violence, curbing viewing of violent television programming in prisons, and the continuation of television industry discussions as authorized under the Television Program Improvement Act of 1990.

Shortly after these recommendations were submitted, the American Medical Association's house of delegates called for the adoption of a television violence code. They had a rating system for films, video, and audio entertainment. Following the outcry last year over the violent content of television and cable programming, the major TV networks and cable initiated voluntary assessments of violent content in their program. These assessments began with the 1994–95 television viewing season. Additionally, the major television networks agreed to display viewer warnings on some television programming containing violent content. They deserve credit for these steps.

There is progress on other fronts, as well. Even the leaders of the entertainment industry have come to believe that violence in the media is a problem. In a survey of entertainment industry leaders in U.S. News & World Report on May 9, 1994, nearly 9 out of 10 media entertainment industry leaders said that violence in entertainment contributes to the level of violence plaguing the Nation.

Mr. President, even though there has been a recognition, even though there has been a public discussion about media violence and the contribution it makes to violence in our society, nothing is happening. The media mayhem continues.

I cite the alarming report of the Center for Media and Public Affairs that was done in August of last year. The center, working with the Guggenheim Foundation, reported that television is considerably more violent in 1994 than it was 2 years previous.

Mr. President, I direct your attention to the chart that we have prepared that shows what has happened to the daily violence on television, a comparison between 1992 and 1994. This shows the incidents of violence per hour that are going out over the media.

Networks in 1992 had 25 violent acts per hour on average. In 1994, that had increased to 43 acts of violence per hour. Cable was even more egregious. Cable had 55 acts of violence per hour in 1992. That escalated to 75 acts of violence per hour on average in 1994. Only Public Broadcasting had modest levels of violence and was stable in the acts of violence portrayed between the years of 1992 and 1994.

Mr. President, although there has been a lot of talk about doing something about violence in the media, there has been precious little action.

I believe the American people do not want their children and families exposed to the extraordinary violence that is occurring in the entertainment media on a daily basis.

Now, we here in the Senate do not watch a lot of television because we wind up being here most of our time or in our States going from town to town. And so opportunities for watching television are somewhat limited. I would just ask my colleagues to turn on the television, watch what is happening, and ask yourselves: Can it possibly be the case that we can have children watching 6 hours of television a day and seeing endless repetitive mindless acts of violence and it has no effect on them? It cannot be. It has to be having an effect on them. And virtually every study that has been done says it is having an effect on them.

Mr. President, I recognize that the violence in our society is not just because of media violence. Certainly, that is not the case. There are many contributors. But the time has come for us to reduce the violence in the entertainment media. The trend to glamorize violence must stop.

I am pleased by the voluntary efforts the media has undertaken. But let us face it. The job is not getting done. I do not believe that voluntary initiatives are sufficient to reduce media violence. For that reason, I am introducing legislation today that incorporates the principal recommendations of the Citizens Task Force. The legislation includes means to empower parents to help them make choices. It provides for new television sets being required to contain a V-chip that would permit parents to block television programming with violent content. The cost of the V-chip is now down to about $5 per television set—$5—to give the parents an ability, to empower parents to help make choices for their children. That makes sense.

Second, the legislation contains a violent programming rating provision. This provision requires the FCC to prescribe, in consultation with the broadcasters and cable operators, private interest groups and concerned citizens rules for rating the level of violence in television programming. These ratings would apply to the V-chip technology.

Third, the legislation contains a children's safe harbor provision which requires the FCC to initiate a rule that prohibits commercial television, cable operators, and public telecommunications entities from broadcasting television programs that contain gratuitous violence between the hours of 6 a.m. and 10 p.m. at night.

Mr. President, if there is one thing we have heard all across this country it is that there ought to be a safe harbor, there ought to be a period within which kids are watching television that parents can have some assurance they are

not being exposed to this mindless gratuitous violence.

Finally, the bill contains the Children's TV Act compliance provision which requires the FCC, when granting or renewing TV licenses, to assure the applicant is in compliance with the Children's Television Act of 1990.

These provisions are consistent with the FCC's current examination of television violence in children's television programs and the implementation of the Children's Television Act of 1990.

Mr. President I have supported voluntary efforts in the past and I continue to support and commend these efforts. But it is absolutely clear—absolutely clear—that those efforts are not sufficient to achieve the result that I think the vast majority of Americans would like to see achieved.

The President challenged us last Tuesday to understand the impact that this constant stream of mindless violence is having on our families and children. I applaud the President, and I hope he will continue to draw public attention to the corrosive effect that violence in the entertainment media is having on our families and on our children.

Mr. President, I welcome cosponsors to my legislation. I urge my colleagues to carefully examine the issue of media violence as it relates to violence in our society.

I ask unanimous consent that the text of my bill, the recommendations submitted to Attorney General Janet Reno by the Citizens Task Force on TV Violence, the names of the national organizations in the task force that endorse the recommendations, and the press release announcing the action by the American Medical Association's house of delegates, its article, entitled "A Kinder, Gentler Hollywood," in the May 1994 issue of the U.S. News & World Report, the findings of the study by the Center for Media and Public Affairs, along with the press release announcing the study, and the report of the study of the findings of 200 studies of violence, along with the endorsements of task force members that supported this initiative, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

(See exhibit 1.)

Mr. CONRAD. Mr. President, I want to specifically draw the attention of my colleagues to the letter of support for this legislation from the American Medical Association—I was pleased to have the president of the American Medical Association at the press conference this morning announcing this legislation—the support from the National Association of Secondary School Principals; the support of the National Coalition on Television Violence; the support of school principals who recognize that the epidemic of violence on the streets of America is spilling over into the schools of America and their belief that media violence is contributing to that violence; the support from the National Association for the Education of Young Children; the strong statement of support from the National PTA; the support of The Future Wave, which is made up of producers and writers themselves who recognize that television violence, media violence, is contributing to violence in our society; and the support of the National Alliance for Nonviolent Programming. All of these groups have specifically endorsed, now, the legislation that I am introducing today.

[EXHIBIT 1]

S. 332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Media Protection Act of 1995".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) On average, a child in the United States is exposed to 27 hours of television each week, and some children are exposed to as much as 11 hours of television each day.

(2) The average American child watches 8,000 murders and 100,000 acts of other violence on television by the time the child completes elementary school.

(3) By the age of 18 years, the average American teenager has watched 200,000 acts of violence on television, including 40,000 murders.

(4) The Times Mirror Center reports that a recent poll of Americans indicates that 72 percent of the American people believe that there is too much violence on television, and, according to a survey by *U.S. News and World Report* dated May 1994, 91 percent of American voters believe that mayhem in the media contributes to violence in real life.

(5) On several occasions since 1975, *The Journal of the American Medical Association* has alerted the medical community to the adverse effects of televised violence on child development, including an increase in the level of aggressive behavior and violent behavior among children who view it.

(6) The National Commission on Children recommended in 1991 that producers of television programs exercise greater restraint in the content of programming for children.

(7) A report of the Harry Frank Guggenheim Foundation, dated May 1993, indicates that there is an irrefutable connection between the amount of violence depicted in the television programs watched by children and increased aggressive behavior among children.

(8) It is in the National interest that parents be empowered with the technology to block the viewing of television programs whose content is overly violent or objectionable for other reasons.

(9) Technology currently exists to permit the manufacture of television receivers that are capable of permitting parents to block television programs having violent or otherwise objectionable content.

SEC. 3. ESTABLISHMENT OF TELEVISION VIOLENCE RATING CODE.

Section 303 of the Communications Act of 1934 (47 U.S.C. 303) is amended by adding at the end the following:

"(v) Prescribe, in consultation with television broadcasters, cable operators, appropriate public interest groups, and interested individuals from the private sector, rules for rating the level of violence in television programming, including rules for the transmission by television broadcast systems and cable systems of signals containing specifications for blocking violent programming.".

SEC. 4. REQUIREMENT FOR MANUFACTURE OF TELEVISIONS THAT BLOCK PROGRAMS.

Section 303 of the Communications Act of 1934 (47 U.S.C. 303), as amended by section 3, is further amended by adding at the end the following:

"(w) Require, in the case of apparatus designed to receive television signals that are manufactured in the United States or imported for use in the United States and that have a picture screen 13 inches or greater in size (measured diagonally), that such apparatus—

"(1) be equipped with circuitry designed to enable viewers to block the display of channels, programs, and time slots; and

"(2) enable viewers to block display of all programs with a common rating.".

SEC. 5. SHIPPING OR IMPORTING OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REGULATIONS.—Section 330 of the Communications Act of 1934 (47 U.S.C. 330) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by adding after subsection (b) the following new subsection (c):

"(c)(1) Except as provided in paragraph (2), no person shall ship in interstate commerce, manufacture, assemble, or import from any foreign country into the United States any apparatus described in section 303(w) of this Act except in accordance with rules prescribed by the Commission pursuant to the authority granted by that section.

"(2) This subsection shall not apply to carriers transporting apparatus referred to in paragraph (1) without trading it.

"(3) The rules prescribed by the Commission under this subsection shall provide performance standards for blocking technology. Such rules shall require that all such apparatus be able to receive the rating signals which have been transmitted by way of line 21 of the vertical blanking interval and which conform to the signal and blocking specifications established by the Commission.

"(4) As new video technology is developed, the Commission shall take such action as the Commission determines appropriate to ensure that blocking service continues to be available to consumers.".

(b) CONFORMING AMENDMENT.—Section 330(d) of such Act, as redesignated by subsection (a)(1), is amended by striking "section 303(s), and section 303(u)" and inserting in lieu thereof "and sections 303(s), 303(u), and 303(w)".

SEC. 6. ELIMINATION OF VIOLENT PROGRAMMING ON TELEVISION DURING CERTAIN HOURS.

Title I of the Children's Television Act of 1990 (47 U.S.C. 303a et seq.) is amended by adding at the end the following:

"PROHIBITION ON VIOLENT PROGRAMMING

"SEC. 105. (a) The Commission shall, within 30 days of the date of the enactment of this Act, initiate a rule-making proceeding to prescribe a prohibition on the broadcast on commercial television and by public telecommunications entities, including the broadcast by cable operators, from the hours

of 6 a.m. to 10 p.m., inclusive, of programming that contains gratuitous violence.

"(b) As used in this section:

"(1) The term 'cable operator' has the meaning given such term in section 602 of the Communications Act of 1934 (47 U.S.C. 522).

"(2) The term 'programming' includes advertisements but does not include bona fide newscasts, bona fide news interviews, bona fide news documentaries, and on-the-spot coverage of bona fide news events.

"(3) The term 'public telecommunications entity' has the meaning given such term in section 397(12) of the Communications Act of 1934 (47 U.S.C. 397(12)).".

SEC. 7. BROADCAST ON TELEVISION AND CABLE OF EDUCATIONAL AND INFORMATIONAL PROGRAMMING FOR CHILDREN.

(a) BROADCAST TELEVISION.—Section 309 of the Communications Act of 1934 (47 U.S.C. 309) is amended by adding at the end the following:

"(k) EDUCATIONAL AND INFORMATION PROGRAMMING FOR CHILDREN.—In granting an application for a license for a television broadcasting station (including an application for renewal of such a license), the Commission shall impose such conditions upon the applicant as the Commission requires in order to ensure that the applicant complies under the license with the standards for children's television programming established under section 102 of the Children's Television Act of 1990 (47 U.S.C. 303a) and otherwise serves the educational and informational needs of children through its overall programming.".

(b) CABLE SERVICE.—Part III of title VI of the Communications Act of 1934 (47 U.S.C. 541 et seq.) is amended by adding at the end the following:

"EDUCATIONAL AND INFORMATION PROGRAMMING FOR CHILDREN

"SEC. 629. A franchise, including the renewal of a franchise, may not be awarded under this part unless the cable operator to be awarded the franchise agrees to comply with the standards for children's television programming established under section 102 of the Children's Television Act of 1990 (47 U.S.C. 303a) and to otherwise serve the educational and informational needs of children in the provision of cable service under the franchise.".

CITIZENS TASK FORCE ON TV VIOLENCE

Americans For Responsible Television, Post Office Box 627, Bloomfield Hills, Michigan 48303.

American Psychological Association, 750 First Street, NE, Washington, D.C. 20002.

National Association For The Education of Young Children, 1509 16th Street, NW, Washington, D.C. 20036.

Future Wave, 105 Camino Teresa, Santa Fe, New Mexico 87501.

National Sheriffs Association, 1450 Duke Street, Alexandria, Virginia 22314.

American Medical Association, 1101 Vermont Avenue, NW, Washington, D.C. 20005.

American Medical Association Alliance, Inc., 515 North State Street, Chicago, Illinois 60610.

International Association of Chiefs of Police, 1110 North Glebe Road, Suite 200, Arlington, Virginia 22201.

National Association of Elementary School Principals, 1615 Duke Street, Alexandria, Virginia 22314.

National School Boards Association, 1680 Duke Street, Alexandria, Virginia 22314.

American Psychiatric Association, 1400 K Street, NW, Washington, D.C. 20005.

National Council of Churches, 475 Riverside Drive, Suite 852, New York, New York 10015.

National PTA, 2000 L Street, NW, Suite 600, Washington, D.C. 20036.

Parent Action, 2 North Charles Street, Baltimore, Maryland 21201.

National Foundation To Improve Television, 60 State Street, Suite 3400, Boston, Massachusetts 02109.

National Association of Secondary School Principals, 1904 Association Drive, Reston, Virginia 22091.

American Academy of Child and Adolescent Psychiatry, 3615 Wisconsin Avenue, NW, Washington, D.C. 20016.

National Coalition on Television Violence, 33290 West Fourteen Mile Road, Suite 489, West Bloomfield, Michigan 48322.

American Academy of Pediatrics, 1331 Pennsylvania Avenue, NW, Washington, D.C. 20004.

National Association For Family & Community Education, P.O. Box 6, 127 North Pepperell Road, Hollis, New Hampshire 03049-0006.

National Child Care Association, 1029 Railroad Street, Conyers, Georgia 30207.

National Association of Social Workers, 750 First Street, NE, Washington, D.C. 20002.

Alliance Against Violence In Entertainment For Children, 17 Greenwood Street, Marlboro, Massachusetts 01752.

American Nurses Association/American Academy of Nursing, 600 Maryland Avenue, SW, Suite 100, Washington, D.C. 20024.

American Association of School Administrators, 1801 North Moore Street, Rosslyn, Virginia 22209.

National Council For Children's TV And Media, 32900 Heatherbrook, Farmington Hills, Michigan 48331-2908.

National Alliance for Non-violent Programming, 1846 Banking Street, Greensboro, North Carolina 27408.

National Association of School Psychologists, 8455 Colesville Road, Suite 1000, Silver Spring, Maryland 20910.

[From the Center for Media and Public Affairs, Washington, DC, Aug. 8, 1994]

TV VIOLENCE—1992 VERSUS 1994

Television violence increased by 41% over the last two years, according to a new study by the Center for Media and Public Affairs. The study counted 2,605 violent scenes in a single day across 10 broadcast and cable channels in 1994, up from 1,846 violent scenes in 1992. But violence shown in toy commercials dropped by 85% from 1992 to 1994.

These results come from a unique study of "a day-in-the-life of television." Researchers tabulated all scenes of violence during 18 continuous hours of programming on each of 10 broadcast and cable channels during the first Thursday in April of both 1992 and 1994. The researchers monitored the following channels from 6 a.m. to midnight: the ABC, CBS, NBC, and FOX broadcast networks, PBS, and Paramount-owned independent station WDCA; and cable channels HBO, MTV, WTBS, and USA.

MAJOR FINDINGS

The number of violent scenes increased from 1,846 in 1992 to 2,605 in 1994, a rise of 41%. The average hourly rate increased from 10 to almost 15 scenes of violence per channel.

Life threatening violence (such as assaults with deadly weapons) increased even more rapidly than overall violence, rising 67% from 751 to 1,252 scenes. Incidents involving gun play rose 45%, from 362 to 526.

The greatest sources of violence on television is not any one type of programming, but the "promos" for upcoming shows and movies—695 violent scenes, up 69% from 1992.

Unlike TV programs and promos, violence in toy commercials dropped sharply. In about the same amount of children's programming, toy ads showed only 28 violent scenes in 1994, down from 188 in 1992—a drop of 85%.

Because the study covers a single day, the results cannot necessarily be generalized across the entire television season. But the increase in violence is too pervasive to attribute it to any unusual aspect of this particular day's programming. Violence was up on the broadcast and cable channels alike in fiction and non-fiction formats, adult and children's fare, and in promos as well as programs.

[From the Harry Frank Guggenheim Foundation, New York, NY, May 3, 1993]

H.F. GUGGENHEIM FOUNDATION URGES VIGILANCE AGAINST MEDIA VIOLENCE

CALLS FOR MONITORING OF TV NETWORKS' COMPLIANCE WITH GUIDELINES TO LIMIT VIOLENT CONTENT OF PROGRAMS

NEW YORK.—The nation's only private foundation devoted exclusively to the study of violence and aggression called today for new vigilance against violence in television programs and motion pictures. In issuing a report entitled "The Problem of Media Violence and Children's Behavior," the Harry Frank Guggenheim Foundation urged parents, children's advocates, Congress, and the entertainment industry itself to monitor the industry's compliance with new self-imposed guidelines designed to limit violent content in television programs.

"A substantial body of scientific research now documents the damaging effects of exposure to violent media content. Many leading scientists are convinced that media violence promotes real violence," said foundation president James M. Hester. "The entertainment industry plays an important role in the epidemic of youth violence sweeping the nation. Parents, children's advocacy groups, and Congress should hold the networks to their promise to curb violence on television."

The foundation called on the entertainment industry to adhere to a 15-point set of standards issued by the three major television networks in December 1992. ABC, CBS, and NBC developed the guidelines in response to a law passed by Congress that protected the networks from prosecution on antitrust grounds if they coordinated efforts to regulate the amount of violence in their programming. The exemption expires at the end of this year.

"The public is anxious about the problem of media violence, but they don't know what's being done to address it," Hester said. "This report supplies up-to-date information, including an important statement by Professor Leonard Eron of the University of Michigan. We hope it will encourage vigilance in monitoring how well the TV networks live up to their own guidelines. They have made a social contract with the public, and they should be held accountable to it."

The foundation report also points out that the motion-picture industry and cable television networks have yet to issue similar standards limiting violence.

"The initiative of the television networks is a step in the right direction, but the remainder of the industry has yet to respond to the warnings of scientists and the protests of concerned citizens," Hester said. "Media violence obviously remains a very serious national problem."

The Harry Frank Guggenheim Foundation supports research in a broad range of disciplines in order to illuminate the causes and consequences of human violence. The foundation's goal is to reduce violence and improve relations among people by increasing society's understanding of violence and aggression.

THE NATIONAL ALLIANCE FOR NON-VIOLENT PROGRAMMING,
Greensboro, NC, February 1, 1995.

To: Senator Kent Conrad, Hart Senate Office Building.

From: Whitney Vanderwerff, Executive Director, The National Alliance for Non-violent Programming.

Thank you very much for your endeavors with regards to the incidence and effects of media violence.

The National Alliance for Non-violent Programming, a network of national and international women's organizations created to address the issue of media violence non-censorially, endorses the intent of two of the provisions of the Children's Media Protection Act of 1995, to be introduced by Senator Kent Conrad in the United States Senate on February 2, 1995:

Implementation of blocking technologies can empower parents and caregivers to analyze violent content and the ratings thereof and to take action to reduce the incidence and effects of media violence.

Television broadcasting stations applying for licenses and license renewals should comply fully with the standards of the Children's Television Act of 1990.

Senator Conrad's bill must be implemented in conjunction with community education and involvement. These provisions of the bill can educate and involve citizens at the grassroots, and therefore the National Alliance for Non-violent Programming lends its endorsement of the intent of these two provisions. Thank you.

WORKING FOR ALTERNATIVES TO VIOLENCE IN ENTERTAINMENT,
Santa Fe, NM, January 30, 1995.

Senator KENT CONRAD,
Hart Senate Office Building, Washington, DC.

Attn: Robert Foust, Task Force On TV Violence

DEAR SENATOR CONRAD: We were pleased to read your new bill, and to join in your press release with the following statement.

As writers and producers, we realize that this bill is not Congress censoring us. This is Congress doing our market research for us. We join with other forward thinking people in the Hollywood creative community in welcoming this challenge to generate more creative product, freed from marketplace demands for violence.

Future WAVE is an organization of writers and producers *W*orking for *A*lternatives to *V*iolence through *E*ntertainment. With Board members such as Edward James Olmos, Martin Sheen, Dennis Weaver, and with producer Robert Watts (*Indiana Jones* movies, *Alive*, etc.) we are working within the Hollywood creative community to answer MPA Chairman Jack Valenti's call: "How can we in the film/TV industry * * * be so creatively resourceful that we are able to attract and excite audiences and at the same time try to pacify those scenes which lay claim to gratuitous violence?"

We are pleased to see that Congress is going beyond giving a standing ovation to reducing TV violence and actually beginning to do something about it—without censorship.

We believe it is very important that the rules for rating the level of violence not be simply a bean count of violent acts. For under such standards a movie like *Gandhi* or a drama on the life of Martin Luther King might be listed as very violent. [Similarly, each of the films in the attached RAVE award proposal contain acts of violence but have a powerful nonviolent message].

What parents need is the power to control programming which glamorizes or trivializes violence. We need more shows which depict nonviolent heroes facing down violence with more creative means than counter-violence.

Sincerely,

ARTHUR KANEGIS,
President.

[From the National PTA, Feb. 2, 1995]

NATIONAL PTA SUPPORTS PASSAGE OF THE CHILDREN'S MEDIA PROTECTION ACT OF 1995

(By Catherine A. Belter, National PTA Vice-President for Legislative Activity)

WASHINGTON, DC.—The National PTA joins the many other education, civic, health, child development and child advocacy organizations to speak in favor of the passage of the Children's Media Protection Act of 1995. I am here today as one of a procession of many National PTA representatives who as far back as the 1970's have petitioned Congress and the regulatory agencies about the need to provide more quality television programming for children and youth.

I am also here today, not as a legal expert, medical practitioner or law enforcement officer, but as a parent and a long standing child advocate who shares with other parents and citizens the frustration of years of attempting to influence children's television programming while not wishing to cross the fine lines of our First Amendment freedoms.

The National PTA has testified in the past that this kind of TV violence legislation would be a last resort if voluntary self-regulation and the TV Violence Act produced little results. We know that Senator Conrad and many in the Congress have taken the same stance. In my comments before the FCC last June, I reported an abysmally low compliance rate of the broadcasters with the Children's Television Act, and an almost total failure by the industry to take advantage of the anti-trust exemption provided by the Children's Television Violence Act to produce industry-wide standards and guidelines in an effort to reduce violent TV programming.

At the same time that the industry is ignoring the Children's Television Act, many parents do make an effort to monitor their children's television viewing. The National PTA certainly recognizes that responsibility for children's viewing also falls on the shoulders of the adult family members. To that end, the National PTA has recently launched the Family and Community Critical Viewing Project in association with the National Cable Television Association (NCTA) and Cable in the Classroom. This cooperative effort is designed to provide parents and teachers throughout the country with information and skills to help families make better choices in the television programs they watch, and to improve the way they watch these programs. The workshops are based on a model created in association with the Harvard media expert Dr. Renee Hobbs. The National PTA is offering media literacy workshops to PTAs around the country. In addition, the National PTA has also been in the forefront in supporting such non-commercial and educational programs as Arts and Entertainment, Cable in the Classroom, Discovery and CNN Classroom News.

But for some children TV acts as the remote babysitter and as a surrogate parent, and these children may not be fortunate enough to have parents who closely monitor their TV watching. With television in 96 percent of all American households, this medium does affect the attitudes, the informal education and the behavior of our children. The networks and many other cable producers have resisted voluntary self-regulation to improve programs for children and have not gotten the message that parents are concerned and want a reduction in violent television and an increase in quality, educational and entertaining family programs.

According to a 1993 UCLA study by its Department of Communications, TV stations provided an average of 3.4 hours per week (less than one-half hour per day) of regularly scheduled standard length programming for children. That figure is little more than what was broadcast for children in the late 70's. In addition, an assessment by one of our local units, the South Florida Preschool PTA, revealed that less than 1 percent of the broadcast hours on the four local network stations were devoted to educational and informational children's programming. Yet, in a 1990 study, the Annenberg School of Communication found that non-educational programming targeted at children increased. Programming such as the current fare of Saturday morning cartoons, X-Men, the Simpsons and Beavis and Butthead is far from educational and contains some form of violence.

The statistics related to a child's exposure to TV violence are indeed alarming. For instance, a November 1991 study by the Annenberg School of Communication showed that the average number of violent acts in one hour of children's television broadcasting was more than 30. This is even more than on prime-time TV which had only 4 acts of violence per hour. A 1993 American Psychological Association study showed that the typical child will watch 8,000 murders and more than 100,000 acts of violence before finishing elementary school. By the age of 18, the same teenager will have witnessed 200,000 acts of violence, including 40,000 murders.

After 20 years of asking the broadcasters and the industry to respond to parents and children through self-regulation and reduce violence, we believe that it is time for the next step: the passage of the Children's Media Protection Act of 1995 which contains many of the provisions advocated by the National PTA in testimony before the Senate Commerce Committee on October 28, 1993. The bill provides a multi-faceted and comprehensive approach to curbing television violence including the following:

1. The requirement that television sets are equipped so that parents have the opportunity to block programming with violent content;

2. In the future, the opportunity for parents to block any television program that they find objectionable for any reason:

3. The development of violence rating standards which reflect the input of a broad based group of citizens, including parents;

4. Creation of a "safe harbor" during the course of each day that prohibits programming containing gratuitous violence during the times that children are most likely to watch television. This is a provision that Attorney General Janet Reno has opined as constitutional;

5. Assurance that the FCC will carry out its responsibilities pursuant to the Children's Television Act. Parents want safe

schools and safe communities. In fact, working toward violence-free schools and communities is a major program priority for the national PTA. The National PTA certainly recognizes that there are a number of causes related to violence in our society besides violent TV programming. However, the fact still remains that television is more violent than ever before and offers fewer opportunities for education and family viewing. The television industry must assume its share of the responsibility for the violent behavior of children. The Children's Media Protection Act is a health issue, an educational issue and a family values issue. Reduction of TV violence is one of the issues that received a strong bipartisan reaction from both U.S. Senators and U.S. Representatives during President Clinton's State of the Union Address. The National PTA applauds Senator Kent Conrad for introducing this legislation, and requests the immediate passage of this legislation.

[From the NAEYC News, Washington, DC, Feb. 6, 1995]

CHILDREN'S MEDIA PROTECTION ACT: A RESPONSIBLE STEP TO SUPPORT FAMILIES AND DECREASE CHILDREN'S EXPOSURE TO MEDIA VIOLENCE

The National Association for the Education of Young Children (NAEYC) strongly supports Senator Kent Conrad's introduction of the Children's Media Protection Act of 1995. This measure takes several critical steps to reduce children's exposure to media violence and its negative impact on children's development and aggressive behavior. The measure also empowers parents to take advantage of technology that gives them greater control over the television programming available to their children.

Of all of the sources and manifestations of violence in children's lives, media violence is perhaps the most easily corrected. This legislation takes steps—long overdue—to decrease the amount and severity of violent acts observed by children through television and to give parents additional control in selecting the programs available to their children.

NAEYC believes that each component of the legislation is equally important. The requirement that television sets be equipped with technology that allows parents to block objectionable programming, along with the violence rating code, will provide valuable tools that allow parents greater power in controlling the nature of television programs to which their children are exposed. The children's hour provision to prohibit gratuitous violence on commercial and public television between the hours of 6:00 a.m. and 10:00 p.m. also takes an important step in decreasing children's viewing of media violence. Finally, stronger enforcement of the Children's Television Act should promote additional choices of television viewing appropriate to children's development and interests.

The National Association for the Education of Young Children (NAEYC) is the nation's oldest and largest organization of early childhood professionals and others working to improve the quality of early childhood education services available to young children, birth through age 8, and their families. Based in Washington, D.C., NAEYC has a membership exceeding 90,000 and a network of more than 450 local, state, and regional affiliated early childhood organizations.

SCHOOL PRINCIPALS SUPPORT CHILDREN'S MEDIA PROTECTION ACT OF 1995

ALEXANDRIA, VA., February 2, 1995—The National Association of Elementary School Principals pledged full support for the Children's Media Protection Act of 1995 introduced today by North Dakota's Senator Kent Conrad.

"The effect of television on children is of great concern to school principals," said Samuel G. Sava, NAESP's executive director. "The family room television is a more persuasive and pervasive educator than all the teachers in America's classrooms. There's no question that the overdose of media violence American children receive is linked to their increasingly violent behavior," he said. "But more troubling for parents and educators is the fact that the violence children see, hear, and are entertained by makes them insensitive to real violence."

NAESP, which represents 26,000 elementary and middle school principals nationwide, has long been on record in support of strengthening and enforcing guidelines for the Children's Television Act that would improve programming for children and give parents peace of mind. NAESP has repeatedly asked the FCC and Congress to employ a clearer definition of educational programming and require that stations air at least one hour of 30-minute educational shows every day between 7:00 a.m., and 10:00 p.m., when children are watching.

NAESP further urges Congress to protect children from media violence by:

Developing a violence code, which gives rules for rating the level of violence in television programming;

Allowing violent programs to air only between 10:00 and 6:00 a.m.; and

Requiring manufacturers to install devices on TVs that can be used to block programming.

"Educators want families to have better control over their children's TV viewing. We need a family-friendly media industry that is responsible to its youngest audience," Sava said.

Attached is NAESP's "Report to Parents," produced in the fall of 1993, which its members reproduce to send home to the families to their students.

Established in 1921, the National Association of Elementary School Principals serves 26,000 elementary and middle school principals in the United States, Canada, and overseas.

[From the NCTV-News, Washington, DC, Feb. 2, 1995]

NCTV SUPPORTS SEN. CONRAD'S CHILDREN'S TELEVISION BILL

WASHINGTON DC.—The National Coalition on Television Violence (NCTV) supports of Senator Kent Conrad's bill to control the amount of television violence witnessed by children. The Children's Media Protection Act of 1995, introduced by Sen. Conrad (D. ND.) provides a combination of real tools that parents can use to effectively supervise their children's viewing habits and enforcement mechanisms to hold broadcasters accountable for their compliance (or lack of compliance) to existing rules.

The industry has consistently used a defensive strategy of tossing the problem back into the laps of parents by claiming a conflict with First Amendment Rights and criticizing parental responsibility. Parents have long been frustrated by their inability to cope with the overwhelming, ever present nature of television.

This bill requires broadcasters to provide the public with the information they need to identify objectionable programming, along with the technological tools they need to effectively block it from coming into their homes.

The provisions of the bill state that:

A rating system will be developed to identify programming detrimental to children;

Computer technology (which is currently available) that can be used to selectively screen out unwanted programming will be required to be built into new televisions sets; and

Broadcaster's license renewal will be contingent on their compliance with the provisions set forth in the Children's Television Act of 1990.

Implementation of the Children Television Act of 1990 provides for "truth in packaging" for television programs and a "safe harbor" of television air time free from gratuitous violence. As any parent knows, even when exercising extreme vigilance over children's viewing, a child appropriate program is often subject to the insertion of promotional messages for just the sort of programs or movies that the parent is trying to avoid. These one minute (or less) interruptions also frequently use the most violent clips from the programs as their promotional message!

More than 40 years of research has demonstrated the negative effects of television on children, particularly the links between media violence and aggressive behavior. NCTV commends Sen. Conrad for his willingness to counter the trend of "feel good legislation with no teeth" to propose legislation that calls for true accountability from the broadcast media in a genuine move to improve the lives of America's children.

NASSP, THE NATIONAL ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS,

Reston, VA, February 2, 1995.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR CONRAD: The National Association of Secondary School Principals (NASSP) and its 42,000 members commend you for your efforts to protect our children and youth from exposure to violence in television and the media. We join you in seeking passage of the Children's Media Protection Act of 1995.

Our nation is experiencing an unrivaled period of juvenile violent crime perpetrated by youths from all races, social classes, and lifestyles. Without question, the entertainment industry plays a role in fostering this anti-social behavior by promoting instant gratification, glorifying casual sex, and encouraging the use of profanity, nudity, violence, killing, and racial and sexual stereotyping.

A national effort to monitor and ultimately decrease violence in television and the entertainment media is vitally important to the well-being and subsequent development of youngsters. Therefore, NASSP joins you in recommending that:

Manufacturers, both domestic and foreign, install technology on all television sets to permit parents to block television programming with violent or objectionable program content;

The Federal Communication Commission (FCC), in consultation with television broadcasters, cable operators, private interest groups, and concerned citizens, prescribe rules for rating the level of violence in television programming;

The FCC grant and renew television operating licenses only after ensuring the applicant is in compliance with the standards for

children's programming established under the Children's Television Act of 1990; and

Programming containing gratuitous violence be prohibited between the hours of 6 a.m. to 10 p.m.

NASSP strongly urges Congress to halt the increasingly senseless portrayals of violence in the entertainment media by supporting this crucial movement.

Sincerely,

DR. TIMOTHY J. DYER,
Executive Director.

VIOLENCE IN THE MEDIA AND ENTERTAINMENT INDUSTRY

Whereas, in 1979, the National Association of Secondary School Principals urged the broadcasting and motion picture industries to work with educators and parents in moving toward a significant reduction of violent acts in television film programming;

Whereas, the nation is experiencing an unrivaled period of juvenile violent crime perpetrated by youths from all races, social classes, and lifestyles;

Whereas, the average American child views 8,000 murders and 100,000 acts of violence on TV before finishing elementary school, and by the age of 18, that same teenager will have witnessed 200,000 acts of violence on TV, including 40,000 murders; and,

Whereas, the entertainment industry (movies, records, music videos, radio, and television) plays an important role in fostering anti-social behavior by promoting instant gratification, glorifying casual sex, encouraging the use of profanity, nudity, violence, killing, and racial and sexual stereotyping; be it therefore known, that the National Association of Secondary School Principals:

Appreciates the efforts of the U.S. Attorney General to focus on the problem of increasing violence in the media;

Stands in opposition to violence and insensitive behavior and dialogue in the entertainment industry;

Commends television broadcasters who have begun self-regulation by labeling each program it deems potentially offensive with the following warning: DUE TO VIOLENT CONTENT, PARENTAL DISCRETION IS ADVISED, and producers of music videos and records who use similar labeling systems;

Encourages parents to responsibly monitor and control the viewing and listening habits of their children with popular media products (records, videos, TV programs, etc.);

Calls upon advertisers to take responsible steps to screen the programs they support on the basis of their violent and profane content;

Supports federal legislation designed to decrease and monitor TV violence; and

Calls upon the Federal Communications Commission to initiate hearings on violence in the media, and to consider as part of those hearings the establishment of guidelines for broadcasters to follow during prime time and children's viewing hours; furthermore, the FCC should use its licensing powers to ensure broadcasters' compliance with guidelines on violence and establish a strict procedure to levy fines against those licensees who fail to comply.

Adopted by the Membership of the National Association of Secondary School Principals, February 1994.

[From the American Medical Association, Washington, DC, Feb. 2, 1995]

AMA SUPPORTS THE CHILDREN'S MEDIA PROTECTION ACT OF 1995

(By Robert E. McAfee, MD, President, AMA)

"As President of the American Medical Association, and on behalf of our 300,000 physician and medical student members, and the members of our Alliance, I am pleased to support the Children's Media Protection Act of 1995, which Senator Kent Conrad will introduce today.

"Violence is a major medical and public health epidemic in America. Each year, an estimated 50,000 deaths are attributable to violence in the form of homicide and suicide. The United States ranks first among industrialized nations in silent death rates.

"We are a people living in fear. Which of us has not been haunted by dark thoughts we try to ignore: Will my 9-year-old be safe today in her classroom? Could my father be the victim of a drive-by shooting as he walks the dog? Will I be the next car-jacking victim? My sister a victim of domestic violence? No one can disagree: violence in America is out of control.

"Certainly, the root causes of violence are varied and debatable. But over the past two decades, a growing body of scientific evidence has documented the relationship between the mass media and violent behavior. Report after report brings us to the same conclusion: programming shown by the mass media contributes significantly to the aggressive behavior and to the aggression-related attitudes of children, adolescents, and adults.

"It is estimated that by the time children leave elementary school, they have viewed 8,000 killings and more than 100,000 other violent acts. Children learn behavior by example. They have an instinctive desire to imitate actions they observe, without always possessing the intellect or maturity to determine if the actions are appropriate. This principle certainly applies to TV violence. Children's exposure to violence in the mass media can have lifelong consequences.

"We must take strong action now to curb TV violence if we are to have any chance of halting the violent behavior our children learn through watching television. If we fail to do so, it is a virtual certainty the situation will continue to worsen. The time for action is now."

CITIZENS TASK FORCE ON TV VIOLENCE RECOMMENDATIONS FOR ATTORNEY GENERAL JANET RENO

Adoption of Entertainment Media Violence Code;

Parental Involvement;

FCC Hearings;

Children's Television Act;

Viewing Violent Television Programming in Prisons;

White House Conference on Violence; and

Continuation of Television Industry Discussions.

UNITED STATES SENATE,
Washington, DC, December 15, 1993.

Hon. JANET RENO,
Attorney General of the United States, Department of Justice, Washington, DC.

DEAR MADAM ATTORNEY GENERAL: Pursuant to your discussions on November 22, 1993 with members of the Citizens Task Force on TV Violence, I am very pleased to enclose specific recommendations that members of the coalition believe you and other members of the Interagency Working Group on Violence should carefully examine as you consider the Federal response to the horrible violence in society, including violence in the entertainment media.

These recommendations are endorsed by the following organizations, all members of the Citizens Task Force on TV Violence—

National Association of Elementary School Principals.

National Association of Secondary School Principals.

American Medical Association.

American Medical Association Alliance.

National Child Care Association.

Parent Action.

American Academy of Child and Adolescent Psychiatry.

National Foundation To Improve Television.

National School Boards Association.

National Association For Family and Community Education.

American Psychiatric Association.

Americans For Responsible Television.

National Association For The Education Of Young Children.

National Association of Social Workers.

Future Wave.

National Council of Churches.

Alliance Against Violence in Entertainment For Children.

National Coalition On Television Violence.

National Council for Children's TV and Media.

National Parent Teacher Association (PTA).

Letters and more detailed comments in support of the recommendations from Future Wave, the National Sheriffs Association, the National PTA, the International Association of Chiefs of Police, and the Center For Media Education are also attached for your consideration.

We are most grateful for your support on this issue.

Sincerely,

KENT CONRAD,
U.S. Senator.

RECOMMENDATIONS FOR ATTORNEY GENERAL JANET RENO/INTERAGENCY WORKING GROUP ON VIOLENCE FROM CITIZENS TASK FORCE ON TV VIOLENCE

1. ADOPTION OF ENTERTAINMENT MEDIA VIOLENCE CODE

We support the adoption of a Code, similar to the Code recently announced by the Canadian Radio and Telecommunications Commission and the Canadian Association of Broadcasters, understanding that such a Code would be best developed through a collaborative effort between Government and the television, cable and motion picture industries.

We suggest the formation of an Action Task Group, comprised of Government, television, cable, motion picture industry and public interest representatives, and television advertisers to develop the Code.

Certain features of the Code would be a matter of the broadcasters, cable programmers and motion picture industry representatives exercising voluntary judgements to program in the public interest, such as a general agreement not to program gratuitous violence and to exercise severe restraints on violence with respect to children's programming.

However, we feel that the Code should contain a "safe-harbor" rule to the effect that gratuitous dramatized violence, including violent commercials for movies or upcoming shows, would not be programmed on broadcast or cable television between the hours of 6:00 a.m. and 10:00 p.m., and that such a rule would be fully enforceable by the Federal Communications Commission (FCC) as a regulation that is narrowly drawn to further a compelling state interest, i.e., the protection of children under the age of 12. Compliance with such a rule would be a factor taken into account when the FCC considers renewal of licenses in the case of broadcast TV, and

would be enforced by fines in the case of cable TV.

Finally, in the event that the television industry refuses to cooperate in the development of such a Code, then we believe that the FCC (in collaboration with Congress) should design and implement appropriate regulations that will withstand judicial scrutiny to protect children under the age of 12 from the demonstrated harm of TV violence.

2. PARENTAL INVOLVEMENT

We support steps which would work to empower parents to more effectively monitor and control what their young children view on television. These recommendations include—

Mechanical/electronic devices installed in television sets or cable boxes that would enable parents to block out television programming (cable or broadcast) that contains "V" rating. We believe such a device would be more effective than present lockout devices (devices that can lock out a particular channel or program) which presupposes parental participation in the selection of programming, which is not the case in so many of our nation's homes.

Viewer warnings. Audio and visual warnings of programming containing gratuitous dramatized violence between 6:00 a.m. and 10 p.m. would be telecast before the program and at each commercial break until 10:00 p.m. Superimposed warnings would be displayed continuously during programming containing gratuitous violence.

Violence Rating System. We support the development (by The Action Task Group referred to above) and implementation of a rating system that would classify programs on the basis of their violent content and that such ratings be made available to parents through TV guides, listings, etc. We suggest that such ratings would, in the first instance, be assigned by the programmers themselves, and that only in the event of a breach of their good faith responsibility to assign proper ratings, would the FCC become involved.

3. FCC HEARINGS

We support and urge that the FCC hold hearings on the issue of television violence, most particularly on proposed voluntary and regulatory solutions to some, in several forums around the country. From these hearings the FCC would hone a definition of "television violence" as well as gather the necessary data to support the Code and the basis of any regulations that become part of the Code.

4. CHILDREN'S TELEVISION ACT

We support and urge that the FCC continue with the initiative to strengthen and enforce the FCC's rules promulgated in implementing the Children's Television Act, in order that beneficial programming for children be increased to provide a real alternative to television violence. We also urge that such programming include materials to educate and inform children about the effects of violence and media violence in particular. In addition, we recommend public service announcements to educate viewers about the effects of violence generally, and media violence in particular.

5. VIEWING VIOLENT TELEVISION PROGRAMMING IN PRISONS

We suggest that one step that could be taken immediately on the issue of television violence and its adverse effect on our society would be to end the availability of violent TV programs in prisons.

6. WHITE HOUSE CONFERENCE ON VIOLENCE

We strongly support the initiative of convening a White House Conference on Violence that would focus on the causes of our epidemic of violence, including media violence. At the session on media violence, there would be included, in addition to the representatives of the television, cable and motion picture industries, the approximately 100 major advertisers on television. We believe that a well-designed initiative of consciousness-raising specifically aimed at these advertisers would be effective in reducing gratuitous violence on television.

7. CONTINUATION OF TELEVISION INDUSTRY DISCUSSION

Since many of the above recommendations and initiatives require the joint cooperation and collaboration of the TV industry, we support the extension of the current antitrust exemption as provided under the Television Program Improvement Act—Public Law 101–650, to permit the continuation of television industry discussions.

By Mr. MURKOWSKI (for himself, Mr. JOHNSTON, and Mr. LOTT):

S. 333. A bill to direct the Secretary of Energy to institute certain procedures in the performance of risk assessments in connection with environmental restoration activities, and for other purposes; to the Committee on Energy and Natural Resources.

THE DEPARTMENT OF ENERGY RISK MANAGEMENT ACT OF 1995

Mr. MURKOWSKI. Mr. President, let me acknowledge my colleague, Senator LOTT, who has spoken on the necessity of the legislation which we are introducing today, the Department of Energy Risk Management Act of 1995.

I am very pleased to rise today to introduce the Department of Energy Risk Management Act of 1995 for myself, Senator JOHNSTON, and Senator LOTT. Congress needs to require agencies to use sound science, risk assessment, and cost-benefit analysis in the regulatory decision-making process.

So often, as you know, Mr. President, decisions are made on the basis of emotion. The group that speaks the loudest, has the most numbers, or makes the most outlandish statements influences the decision, instead of decisions being made on sound science. If we cannot depend on scientists who spend a portion of their lives becoming experts on a particular subject, we certainly cannot depend on the short span of attention that we have as politicians as we attempt to evaluate the merits of some very difficult and sophisticated subjects.

One of the difficulties, of course, is to get the scientific community to step forward and put their reputation on the line behind, if you will, their recommendations. So often, we find a situation where the scientists say, "Well, if I had another appropriation, I could study that a little bit more and probably give you a little more definitive answer." Decisions have to be made every day. You and I, Mr. President, have to vote up and down. We cannot vote maybe. We have to make some decisions. With the regulatory process that has run amuck in this country today these decisions are not being made competently and are not being made on the basis of the best information available. We cannot seem to get the scientific community to bear the responsibility for their advice to those of us who have to vote yes or no.

What are we really talking about? This is not a complicated concept. This is risk analysis, cost benefit, and every time you pick up a can of soup or you go buy some crackers it tells you if you have fat soup, skinny soup, or crackers with sodium in them. But with risk assessment and cost-benefit analysis in the application of a permit by the Environmental Protection Agency and various other agencies, you do not know what the cost is. You do not know what the benefit is. You do not know what the risk is.

So this legislation would simply mandate that the public have awareness when the administrative agencies come down with their evaluation of the permitting process as to what the risk is and what the cost is. It is perfectly reasonable. Yet there is a tremendous concern out there among America's environmental community that somehow this will dismantle our environmental laws. What an outlandish generalization.

So I think, Mr. President, we need to require the agencies to use sound science, risk assessment, and cost-benefit analysis in the regulatory decisionmaking process. This legislation applies to environmental restoration activities conducted by the Department of Energy [DOE]. Although the scope of this bill applies to DOE cleanups, we hope to have the risk assessment and cost-benefit analysis debate cover all agencies' activities. We are coordinating our legislative effort with other legislative efforts.

In the last Congress Senator JOHNSTON offered an amendment to the EPA Cabinet level bill in the spring of 1993. At the same time the Johnston amendment was adopted, I offered an amendment requiring cost-benefit analysis that was agreed to by the Senate. I have continued to look for ways to improve and refine our regulatory decisionmaking process. Senator LOTT also introduced legislation last Congress that is incorporated into our bill. Since the last Congress, the momentum for risk assessment/cost-benefit analysis has only intensified and the November elections have brought about renewed interest in advancing risk assessment/cost-benefit analysis legislation.

I hope the agencies out there got the message of what the last election suggested, that the process was out of balance, and it needed correcting.

On January 17, I hosted, along with Senator LOTT, Representative CRAPO, and Representative KAREN THURMOND, the first meeting of a bipartisan, bicameral Regulatory Reform Caucus

now made up of 35 Representatives and some 12 Senators. The caucus wants a proactive strategy to require agencies to use sound science, risk assessment, and cost-benefit analysis in the regulatory decisionmaking process.

At that meeting we heard from two excellent speakers. John Stossel of ABC News spoke persuasively about how the public's perception of environmental and health risks affects our overregulation of those risks. Mr. Stossel showed a chart that broke down how much given risks shorten the average life. It is interesting to note that we spend billions of dollars regulating toxic waste sites and there are lots of news stories about places, like Love Canal. But, even based on the most extreme estimates provided by environmental organizations toxic wastes are calculated to shorten the average life by just 4 days. Other risks shorten the average life span by years, yet we do not regulate them.

Dr. John Graham, Director of the Harvard Center for Risk Analysis, gave an objective view of how government overregulates our lives and businesses. I was particularly impressed with Dr. Graham's point that over 80 percent of Americans favor better risk analysis in environmental policy. And, as Dr. Graham has indicated, risk and cost-benefit analysis is the key to sound environmental policy of the future. In fact, I think it is fair to say that incorporation of sound science, detailed and well communicated assessments, cost-benefit analysis, and the prioritizing of our limited resources is the environmental policy of the future. It is a commonsense policy that is here to stay.

American businesses spend more than $150 billion annually just to comply with environmental laws—costs that increasingly strain U.S. competitiveness. Risk-based regulations rely on worst-case scenarios and ignore the best science, producing elaborate, expensive regulation of unimportant problems.

Imagine, Mr. President, if we relied on a worst-case scenario. We would not walk outside. We would not be in this building. Worst case means the worst possible case, whether it be flood, earthquake, you name it.

So risk-based scenarios really are scenarios that ignore best science contrary to the real world. As a result, the Federal Government is forcing the expenditure of billions of dollars by local government and industry on these excessively hypothetical and exaggerated perceptions of risks.

The intent of the policy of incorporating risk assessment and cost-benefit analysis into the decisionmaking process is to ensure better, more cost-effective regulations and decisions over the long term. Again, it is the smart way to make sure we get the most value for our limited Government resources, especially in a time where the American public is unequivocally demanding a smaller Federal bureaucracy and less Government control of their lives.

A couple of examples, Mr. President, to liven up the morning. I am told that a Kansas City bank was ordered by Federal regulators to put a braille keypad on drive-through ATM, automatic teller machines.

A little food for thought. The U.S. Department of Agriculture, in another case, required California farmers to dispose of millions of pounds of otherwise good peaches and nectarines simply because they were smaller than Federal standards permitted. Fruit that could have been given away to the needy had to be left to rot.

In Boise, ID, a plumbing contractor was penalized by OSHA because proper safety precautions were not taken by the employees, who successfully rescued a suffocating construction worker from a collapsed trench. The $7,785 fine was rescinded due to public outrage. Can you imagine that?

A self-employed truck mechanic in Morrisville, PA, was fined $2,200 and sentenced to 3 years in jail for hauling away 7,000 old tires and rusting cars and placing clean fill on his own occasionally wet property without a Federal permit, because it was classified as a "wetlands." The EPA argued the property was wetlands because of a stream—dry for most of the year—was partially trapped by the discarded junk and created several pools of water.

I could go on and on with those horror stories, Mr. President, but I know you are familiar with them as well.

Finally, the legislation Senator LOTT, Senator JOHNSTON, and I have put together on risk assessment/cost-benefit would accomplish several important goals.

First, the legislation establishes clear principles to be followed by the Department of Energy. It does not set up a new bureaucracy, but it requires specifics when it performs risk assessments, and they include the consideration and discussion of data that may or may not specifically point to a health risk; precise guidelines for the use of assumptions to bridge some of the data gaps; and most importantly, assessments that are objective and unbiased.

Second, the bill establishes principles for risk characterization that will allow for better understanding and communication, so the public can read what the risk is, like they can read the risk if they want fat soup or skinny crackers, because it is on there. DOE must issue a final regulation implementing the risk assessment and risk characterization principles. DOE must develop a plan to review and revise early risk assessments, which shall include a process by which members of the public may petition the DOE for review of particular risk assessments.

In addition to establishing a risk assessment procedural framework, the bill would also require the Department to apply the results of those assessments in significant ways that will ensure safer, more efficient and more cost-effective cleanup. Any plan, assessment, or record of decision to conduct an environmental restoration activity must go through a cost-benefit analysis. The Secretary is going to have to certify that the analysis is based upon the best reasonable information; the analysis is objective and unbiased; the environmental restoration activity significantly reduces the targeted risk; no alternative environmental restoration activity is more cost-effective; and the environmental restoration activity is likely to reduce benefits that justify its cost. The Department must prioritize resources to address the most serious and most cost-effective risks first.

We intend to expand the scope of this legislation to apply to regulations and all agencies, to provide for an independent and external peer review process.

I do not want to complicate this with a lot of words. We are simply asking for a process that the public can understand and it is almost like truth-in-lending, which has never been applicable to the regulatory process. That is what we propose in this legislation.

I ask unanimous consent at this time to have printed in the RECORD some of the risk comparisons that help to illustrate the importance of having comparative risks available to the public, and an article entitled "Unloading Excess Regulations," by Murray Weidenbaum, which appeared in the Journal of Commerce on January 27, 1995.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHY WE HAVE TO CHOOSE WHICH RISKS ARE WORTH REDUCING

Activity	Cost per death averted
THIRD WORLD COUNTRIES	
Diphtheria immunization (Gambia)	$87
Malaria prevention (Africa)	440
Measles immunization (Ivory Coast)	850
Improved health care	1,930
Improved water sanitation	4,030
Dietary supplements	5,300
UNITED STATES, NON-ENVIRONMENTAL	
Improved traffic signs	31,000
Cervical cancer screening	50,000
Improved lighting	80,000
Upgrade guard rails	101,000
Mobile intensive care units	120,000
Breakaway sign supports	125,000
Lung cancer screening	140,000
Breast cancer screening	160,000
UNITED STATES, ENVIRONMENTAL REGULATIONS	
Asbestos ban	110,700,000
Benzene NESHAP (revised waste operations)	168,200,000
1,2 dichloropropane drinking water standard	653,000,000
Hazardous waste land disposal ban (1st 3rd)	4,190,400,000
Municipal landfill standards (1988 proposed)	19,107,000,000
Formaldehyde occupational exposure limit #2	86,201,800,000
Atrazine/alachlor drinking water standard	92,069,700,000

WHY WE HAVE TO CHOOSE WHICH RISKS ARE WORTH REDUCING—Continued

Activity	Cost per death averted
Hazardous waste listing for wood-preserving chemicals	5,700,000,000,000

Sources: Bernard L. Cohen, "Perspectives on the Cost Effectiveness of Life Saving," in Jay H. Lehr, Rational Readings on Environmental Concerns, pp. 462–465. (Author acknowledges that many of these numbers are only estimates and depend on other factors) John F. Morrall III, "A Review of the Record," Regulation 10 (2) (1986), p. 30. Updated by Morrall, et al. (1990) and printed in U.S. Chemical Industry Statistical Handbook 1992, p. 141.

RANKING POSSIBLE CANCER HAZARDS

Low levels of exposure to man-made chemicals means the risk they pose is very small compared to that of nationally occurring chemicals. The figures below assume that experiments on laboratory animals are reliable indicators of human carcinogenic hazards.

Source and daily exposure	Risk factor
Wine (one glass)	4,700.0
Beer (12 ounces)	2,800.0
Cola (one)	2,700.0
Bread (two slices)	400.0
Mushroom (one, raw)	100.0
Basil (1 gram of dried leaf)	100.0
Shrimp (100 grams)	90.0
Brown mustard (5 grams)	70.0
Saccharin (in 12 oz of diet soda)	60.0
Peanut butter (one sandwich)	30.0
Cooked bacon (100 grams)	9.0
Tap water (one liter)	1.0
Additives and pesticides in other food	0.5
Additives and pesticides in bread and grain products	0.4
Coffee (one cup)	0.3

Source: Human Exposure Rodent Potency (HERP) index, multiplied by 1000, based on Bruce Ames et al., "Ranking Possible Carcinogenic Hazards," Science 236 (April 17, 1987), page 271. See article for explanation of methodology and interpretation of results.

ODDS OF DYING FROM VARIOUS CAUSES

[Risk per 1 million population, U.S.]

Causes	Risk per million
Real risk of death this year caused by:	
Being murdered in Washington, DC (residents)	760.0
Chronically abusing alcohol	600.0
Being in a car accident	200.0
Being in a home accident	110.0
Being murdered	92.0
Giving birth to a child (women)	66.0
Being electrocuted	3.0
Being struck by lightning	1.6
Drowning in a bathtub	1.5
Hypothetical risk of death from cancer caused by:	
Drinking one can of light beer per day for one year	20.0
Eating one peanut butter sandwich per day for one year	10.0
Living next door to a nuclear power plant for 70 years (NCI)	10.0
Lifetime exposure to pesticide residues (EPA)	3.0
Lifetime exposure to pesticide residues (Doll and Peto)	<1.0
Lifetime exposure to landfill emissions (EPA)	<1.0
Lifetime exposure to emissions from incinerators (EPA)	<1.0

Sources: John and Sean Paling, Up to Your Armpits in Alligators? (Gainesville, FL: The Environmental institute) 1993; Statistical Abstract of the United States, 1992, Table 123; National Cancer Institute, "Highlights of NCI's Carcinogenesis Studies," Cancer Facts, June 23, 1993, p. 7; Sir Richard Doll an Richard Peto, Journal of the National Cancer institute 66 (6) (June 1981); Jennifer Chilton and Kenneth Chilton, "A Critique of Risk Modeling and Risk Assessment of Municipal Landfills Based on U.S. EPA Techniques," Waste management & Research 10 (1992), pp. 505–516.

[From the Journal of Commerce, Jan. 27, 1995]

UNLOADING EXCESS REGULATIONS

(By Murray Weidenbaum)

ST. LOUIS.—The time is ripe for a new round of reform in government regulation of business.

The limited reductions of transportation regulation carried out in the late 1970s and early 1980s are ancient history, and the 1990s to date have been dominated by a new round of expensive and burdensome regulation of the private sector.

The Occupational Safety and Health Administration is moving forward with one of the most ambitious regulatory agendas in its history, including an indoor-air-quality proposal the agency estimates would cost $8 billion a year.

The Antitrust Division of the Justice Department is hiring 25 new lawyers, after adding 34 attorneys and 60 paralegals since mid-1992.

All this pales in comparison with the escalation of environmental and workplace regulation taking place in the United States.

It costs about $150 billion a year to meet the directives of the Environmental Protection Agency. And the impact on the economy of employment regulation, such as civil rights enforcement and affirmative action requirements, is estimated at up to $200 billion a year.

What really hurts is that many of the costs associated with regulatory programs are extremely frivolous from the viewpoint of achieving any serious public policy objective.

Here are just a few examples of the many absurd requirements imposed on U.S. businesses:

A Kansas City bank was ordered by regulators to put a Braille keypad on a drive-through ATM, or automatic teller machine.

The U.S. Department of Agriculture required California farmers to dispose of millions of pounds of otherwise good peaches and nectarines simply because they were smaller than federal standards permitted. Fruit that could have been sold or given away to the needy had to be left to rot.

In Boise, Idaho, a plumbing company was penalized by OSHA because "proper" safety precautions were not taken by the employees who successfully rescued a suffocating construction worker from a collapsed trench. The $7,875 fine was eventually rescinded due to public outrage.

A self-employed truck mechanic in Morrisville, Pa., was fined $202,000 and sentenced to three years in jail for hauling away 7,000 old tires and rusting car pans and placing clean fill on his own, occasionally wet, property without a federal permit. The EPA argued the property was a wetland because a stream—dry for most of the year—was partly trapped by the discarded junk and created several pools of water.

To respond to the critics, over the years many efforts have been made to improve the process of government regulation. However, virtually all the changes have focused on executive branch rule-making.

But truly reforming government regulation means far more than just improving the way regulatory agencies carry out the tasks assigned to them by Congress. In order to reduce the very large and often avoidable economic burdens imposed by regulation, policymakers need to focus on the birth stage of the rulemaking process.

The crucial action occurs, for example, when the legislature enacts an 800-page Clean Air Act with unrealistic timetables and an almost endless array of requirements.

No amount of executive branch analysis performed afterward can adequately deal with the problem.

It is up to Congress itself to weigh carefully the results of benefit-cost analysis before it enacts a regulatory statute and also to ascertain that, if a new law is required, its provisions are as cost-effective as feasible.

Congress also should examine the cumulative effects of government regulation on the performance of the economic system. But rather than tackling piecemeal the hundreds of regulatory statutes on the books, Congress should write several new laws that will reform regulation across the board.

Five key changes would be especially helpful.

Congress should require benefit-cost analysis in each key stage of the regulatory process, from writing the laws to issuing regulations and reviewing the operation of programs.

When a law requires citizens or organizations to obtain a permit, agencies should be forced to act in a timely fashion. If an agency cannot process an application by the dead-line, the permit should be granted automatically.

Congress should emphasize objectives sought rather than precise methods to be used for each regulatory program.

Detailed laws that place "legislative handcuffs" on agencies hamper more cost-effective solutions. However, legislators should avoid writing laws so vague that they know in advance the courts will have to wrestle with the details.

The federal government should use risk assessment to set priorities for achieving greater protection of health, safety and the environment in the most cost-effective manner.

All risks are not equally serious. Government should focus on the most serious hazards. Sound science and comparative risk analysis should be drawn upon during the legislative drafting process.

Congress should promote regulatory justice Legislators and regulators should avoid imposing costs on innocent parties. Where regulation substantially reduces property rights, compensation should be paid.

Now is an especially good time for Congress to embark on significant reform of government regulation. Such action would respond to widespread dissatisfaction with the high cost and limited benefits of many governmental activities.

Mr. MURKOWSKI. I urge my colleagues to consider the merits of this legislation. I assure you that the public supports it almost unanimously, because the system is simply out of balance. We need to address correctly the forms, cost benefits and risk analyses, which is one way to do it.

Mr. JOHNSTON. Mr. President, I am pleased to cosponsor, along with Chairman MURKOWSKI and Senator LOTT, the Department of Energy Risk Management Act of 1995.

This bill builds upon work that I began in April of 1993, when I offered an amendment to the EPA Cabinet bill that would have required risk assessment and cost/benefit analysis with respect to EPA regulations. That amendment passed the Senate by a vote of 95–3. However, it did not become law because of the opposition of environmental advocacy groups and several House committee and subcommittee chairmen.

I then spent nearly a year working with those who had concerns about the amendment. The result was a revised amendment, supported by Senators BAUCUS and MOYNIHAN, that met every legitimate concern. In May of last year, I offered the revised amendment to the safe drinking water bill, and it passed by a vote of 90–8.

That simple amendment would have required EPA to do a risk assessment and cost-benefit analysis when preparing regulations that have an impact on

the economy of $100 million or more. As part of the process, the amendment provided that the Administrator must certify that the best reasonably obtainable science was used, that the regulation would actually reduce the risk addressed, that the regulation was the most cost-effective alternative, and that the benefits of the regulation justified the costs. It changed no environmental laws, and created no new causes of action. It was simply a truth-in-regulating provision.

Unfortunately, environmental advocacy groups and certain members of the house continued to oppose the revised provision, and refused to pass the safe drinking water bill with my amendment. As a result, the safe drinking water bill died along with the amendment. This, in my opinion, was one of the sorriest chapters of the 103d Congress.

The Republicans then picked up the risk assessment and cost-benefit issue and included it in their Contract with America. As a result, it has become a high Republican priority, and is due to be acted upon during the first 100 days of this Congress.

Although I am very pleased by the attention that the risk issue is now receiving, and fully agree that legislation should be enacted promptly, I urge my Republican colleagues to not get carried away. If we do this right, we will inject much-needed discipline into the process of setting environmental priorities. But if we go too far, we will bring the regulatory process to a grinding halt, a result that is not in the best interest of the public or the regulated industries.

The bill we are introducing today is narrowly drawn to apply only to the cleanup activities of the Department of Energy, such as those at Hanford, WA, and Rocky Flats, CO. We drafted the bill in this manner because the cleanup of DOE weapons sites is one of the toughest issues facing the Energy and Natural Resources Committee, and Chairman MURKOWSKI and I want to focus the Energy Committee's attention on the need for risk assessment and cost-benefit analysis in prioritizing that cleanup effort.

We feel that the cleanup problem at Department of Energy facilities is a perfect example of our inability to set rational priorities when it comes to environmental protection. Currently, we are spending $6 billion a year of our constituents' money and accomplishing virtually nothing in terms of actual cleanup. If we can set risk-based priorities for the cleanup of those facilities, and then implement those priorities in a cost-effective fashion, that would be a major accomplishment.

This is not to say that Chairman MURKOWSKI, Senator LOTT, and I feel that risk assessment and cost-benefit analysis should be applied only to the cleanup of Department of Energy facilities. Chairman MURKOWSKI and Senator LOTT will soon introduce an amendment to the bill, which will follow the bill to the Energy Committee. The amendment will apply the requirements of the bill to all Federal agencies, including EPA. The bill and the amendment will then be the subject of hearings in our committee.

Although I agree with the thrust of the amendment, I chose not to be a cosponsor for two reasons. First, I want to reserve judgment on whether risk assessment and cost-benefit analysis should be required of all Federal agencies. I am confident that they should apply to EPA and the Department of Energy, but I think we need to carefully examine the issue of applying those principles to all other Federal agencies.

Second, and perhaps more important, I am concerned about the judicial review provision that Chairman MURKOWSKI and Senator LOTT are expected to include in their amendment. That provision states, in part, that,

> Any decision, regulatory analysis, risk assessment, hazard identification, risk characterization, or certification provided for under this act is subject to judicial review in the same manner and at the same time as the underlying final action to which it pertains. * * *

My concern is that this provision may lead to a substantial increase in litigation. As my colleagues may recall, the judicial review provision that I included in last year's amendment was quite narrow, and I remain convinced that more litigation hurts rather than helps our efforts to set rational environmental priorities. Therefore, Chairman MURKOWSKI, Senator LOTT, and I agreed that we would not include a judicial review provision in our bill, and that I would not cosponsor the amendment containing their judicial review provision. Instead, we will continue to study this crucial issue, with the expectation that we can resolve it before reporting a bill.

I also want to briefly explain why the bill has no dollar threshold. Last year, my amendment applied only to EPA regulations that have an effect on the economy of $100 million a year or more. The bill we are introducing today, however, does not contain a dollar threshold because the cleanup activities of DOE are so easily divided into small increments. In other words, there was concern that even a relatively low threshold could be evaded by dividing a cleanup plan into units that fit under the dollar threshold The issue of the appropriate threshold, both as to DOE cleanups and as to regulations issued by other agencies, is one that will need careful examination when we hold hearings on this legislation.

Mr. President, it often takes more than one Congress to enact important legislation, and this matter has proven to be no exception. In a recent article entitled "Congress Discovers Risk Analysis," Terry Davies of Resources for the Future begins by stating that:

> The 103d Congress, which concluded in November 1994 in a blaze of partisan bickering, will be forgotten for many reasons by those interested in environmental policy. With the exception of creating a new national park in the California desert, Congress failed to take action on a long list of environmental issue. However, the 103d Congress will be memorable on at least one environmental count: it was the Congress that discovered risk analysis.

Now that we have discovered risk assessment, I urge that it is the task of the 104th Congress to legislate on the subject with all deliberate speed. Given that we spend almost $150 billion a year on environmental protection, we cannot afford to delay in setting priorities based on the extent of risk posed to the public and the environment.

I ask unanimous consent that Mr. Davies' article be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Resources for the Future, Winter 1995]

CONGRESS DISCOVERS RISK ANALYSIS

(By Terry Davies)

The 103d Congress, which concluded in November 1994 in a blaze of partisan bickering, will be forgotten for many reasons by those interested in environmental policy. With the exception of creating a new national park in the California desert, Congress failed to take action on a long list of environmental issues. However, the 103d Congress will be memorable on at least one environmental count: it was the Congress that discovered risk analysis.

Congress has regulated risk for decades. For example, the national ambient air quality standards called for in the Clean Air Act of 1970 are required to protect against health risks to sensitive populations. The Toxic Substances Control Act, enacted in 1976, was probably the first law to explicitly use "unreasonable risk" as the criterion for government to take regulatory action. But Congress has never concerned itself with how risks were calculated or with comparing different risks. Risk as a general concept was of concern but, with a few notable exceptions, risk analysis was not. In 1993–1994, this situation changed dramatically.

Below I review some of the efforts in the 103d Congress to deal with risk analysis; I then identify the major factors underlying lawmakers' interest in such analysis. I also outline what risk legislation can (and cannot) accomplish and distinguish among the uses of risk assessment, two issues about which Congress seems to be confused.

LEGISLATIVE RISK PROPOSALS

More than a dozen bills dealing with risk analysis were introduced in the 103d Congress. Notable among these were bills introduced by Senator Daniel Patrick Moynihan (D–New York) and Representative Herbert C. Klein (D–New Jersey). Even more notable was an amendment to S.R. 171, a bill proposed by Senator John Glenn (D–Ohio) to make the U.S. Environmental Protection Agency (EPA) a cabinet department.

Senator Bennett Johnston (D–Louisiana) introduced the amendment, which would have required that EPA conduct a risk analysis for each of its regulations and compare

the risk reduction to be achieved by the regulation with the cost of the legislation and with other types of risks. The Senate overwhelmingly passed it by a 95-3 vote, but later the content of the Johnston amendment was modified several times. (The original version required risk analysis of all final regulations; later versions made the requirement applicable only to major regulations and to proposed rather than final regulations.)

Legislators proposed adding this amendment to almost every pending environmental bill. The lack of action on environmental legislation during the 103d Congress was due, to a great extent, to an inability to reach an acceptable compromise on the amendments's language. Junior members of the House surprised the leadership by defeating the rule under which the EPA cabinet bill would go to the House floor for a vote, in part because the rule would have precluded consideration of the Johnston amendment.

The basic requirements of the Johnston amendment were similar to the cost-benefit requirements already called for by a Clinton administration executive order (E.O. 12866). The Johnston amendment's one novel requirement was that the risks to be regulated be compared with other risks—a challenging requirement but not one that would bring to a halt all environmental regulatory efforts.

Senator Moynihan's bill (S.R. 110), the "Environmental Risk Reduction Act of 1993," would have required the EPA administrator to establish a Committee on Relative Risks to "identify and rank the greatest environmental risks to human health, welfare, and ecological resources," as well as a Committee on Environmental Benefits to provide expert advice on estimating the quantitative benefits of reducing risks. In addition, the bill would have required EPA to develop "guidelines to ensure consistency and technical quality in risk assessments." Finally, the bill would have required EPA to establish a research program on environmental risk assessment and to create an Interagency Panel on Risk Assessment and Reduction to coordinate federal efforts.

Moynihan's bill, which was aimed at improving the quality and visibility of risk assessment, emphasized comparative risk analysis of the problems addressed by different EPA programs, rather than risk analysis of the problems addressed by individual regulations. A bill introduced by Representative Klein contained some of the same provisions as the Moynihan bill but focused on improving the quality of risk assessments done to support individual regulations. Klein's bill (H.R. 4306) would have established a Risk Assessment Program within EPA to develop, review, and update risk assessment guidelines. Other elements of the Klein bill included research and training in risk assessment and a pilot project on comparative risk analysis.

The Klein bill originally was supported by the Clinton administration. Environmentalists, who have generally opposed any efforts to promote risk analysis, stated that they would not oppose the bill. However, the House Committee on Science, Space, and Technology made a series of changes in the bill that caused both the administration and the environmentalists to oppose its passage.

The offending changes were put forward by congressional members and staff who believe that EPA risk assessments are generally biased in favor of regulation and exaggerate the degree of risk. The changes would have done two things. First, they would have made both risk assessment guidelines and EPA's risk assessments potentially subject to judicial review. In withdrawing support for the bill, EPA stated that the changes could make risk assessment "more a construct of the courts than of sound science." Second, the changes would have directed EPA to use "the most plausible" and "unbiased" assumptions to calculate "central estimates of risk" and to employ the "best information." Although these changes sound innocuous, they could have changed EPA's risk assessment methodology in fundamental ways, especially when combined with the threat of litigation.

In the closing days of the session, Congress enacted a U.S. Department of Agriculture reorganization bill with a version of the Johnston amendment attached to it. However, the amendment applies only to environmental and health regulations promulgated by the Department of Agriculture. No other risk legislation passed, but the issues raised in the debate over the Klein bill will be high on the agenda of the 104th Congress, many of whose Republican members have promised reform of federal regulations as part of the "Contract with America." The reasons for interest in risk have become, if anything, more pressing, and the Republicans have generally been more supportive of risk legislation than the Democrats.

FACTORS UNDERLYING CONGRESS'S INTEREST IN RISK

Why the sudden passion for risk analysis and comparative risk assessment? Several interrelated factors account for Congress's newfound interest.

The first factor is a shift in the public's view of environmental problems. Whether because of the increasing costs of environmental remedies, the rightward shift of the nation's politics, growing cynicism toward all groups and institutions, or other reasons, many people no longer believe that all environmental problems are urgently pressing. The notion of priorities—of some problems being more important than others—has entered the environmental debate.

The second factor is the squeeze being put on some state and local governments by unfunded environmental mandates. These governments have seized upon comparative risk assessment as a potent weapon for fighting expensive and often unwanted federal requirements. In many cases, states and localities believe they can show that they are being required to expend funds on problems that either pose smaller risks than those arising from other problems on which the money could be spent or that pose trivial or nonexistent risks. This "grass roots" dimension of the push for comparative risk analysis is politically of great significance.

In Congress, risk analysis also has been linked with the issue of takings, uncompensated restrictions on private land use. Environmentalists have dubbed risk analysis, unfunded mandates, and takings as "the unholy trinity," although risk and takings do not have the direct, substantive connection that risk and unfunded mandates often do. The three have become linked because each potentially could slow or halt federal environmental regulation.

A third factor contributing to the interest in comparative risk is the shortage of public funds at all governmental levels. The shortage emphasizes the need to set priorities and to make hard choices. Not coincidentally, the congressional committees responsible for appropriating money to EPA have been strong supporters of applying comparative risk analysis to different EPA programs (as opposed to different proposed regulations). For these committees, risk analysis holds the promise of providing a rationale and a defense for difficult budgetary choices. At the same time, the results of risk analysis are sufficiently broad and uncertain that the committees do not have to worry about losing control over budgetary decisions.

WHAT RISK LEGISLATION CAN ACCOMPLISH

No other congressional issue is marked more by confusion and misinformation than the current debate over risk assessment. One reason is that legislators seem confused (perhaps in some cases deliberately) about what risk assessment legislation can accomplish.

Members of Congress have an understandable tendency to blame EPA for problems that local constituents have with pollution-control requirements. Since risk assessment supposedly guides EPA decisions, they believe that changing the way risk assessment is done can alleviate the problem of unwanted or unreasonable requirements imposed on local governments and corporations. However, for Congress, in many cases both Shakespeare and the comic strip character Pogo are apt. The fault is not in the stars—Congress has met the enemy and it is them.

The unfunded mandates that have caused the most problems for local governments are those related to drinking water. Communities complain that EPA is requiring them to monitor for chemicals that pose no risk and that the agency is demanding expensive capital investments to deal with nonexistent threats. But most of these difficulties arise from the 1986 amendments to the Safe Drinking Water Act—amendments that *required* EPA to set standards for forty water contaminants within two years of the act's passage and to keep issuing standards for additional contaminants at an equally rapid pace. Congress directed that the standards be set "as close to the maximum contaminant level goal as is feasible." In turn, the maximum contaminant goal is to be set "at the level at which no known or anticipated adverse effects on the health cf persons occur and which allows an adequate margin of safety."

To put it bluntly, Congress should not pass laws that require absolute protection for the public and then complain when EPA promulgates standards that provide such protection. It should not pass laws that require EPA to move rapidly to promulgate numerous regulations and then complain when the agency moves rapidly to promulgate numerous regulations. Implementing the law should not be considered a political crime.

Another "confusion" in Congress is that risk drives all environmental decisions. In fact, many environmental regulatory requirements are statutorily determined by technology and thus relatively unaffected by risk findings. For example, the initial standards for controlling hazardous air pollutants under the clean Air Act amendments of 1990 are to be based on the best technologies employed by each type of polluting facility, not on risk. Similarly, many of the regulatory requirements under the Clean Water Act are based on "best available technology," a determination of which is unrelated to risk. EPA actions under these provisions will not be influenced by any changes in risk assessment methods.

USES OF RISK ASSESSMENT

A more general source of confusion in the current debate over risk assessment arises from a failure to distinguish among different uses of risk assessment. At least four different policy uses of risk assessment exist.

Each involves different methodologies and raises different problems.

The most common use of risk assessment in policymaking is in regulatory decisionmaking. For all significant regulations, E.O. 12866 requires the agency proposing the regulation to conduct a cost-benefit analysis. From the perspective of EPA and the other health and safety regulatory agencies, the benefit side of the cost-benefit equation generally is the amount of risk reduced by the regulation as calculated by some type of risk assessment. Within EPA, risk assessment is often used to gauge where to set a standard (although, as noted above, statutory requirements frequently preclude risk considerations), because it is the only way to determine how much (if any) danger a given substance, product, or activity poses.

A second use of risk assessment occurs in Congress' statutory definition of "acceptable risk." Probably the best example of this use is the Clean Air Act, which requires the EPA administrator to promulgate more stringent standards for emissions of hazardous pollutants when the technology-based standards for the emissions "do not reduce life-time excess cancer risks to the individual most exposed * * * to less than one in one million.

These bright line provisions have been based on quantitative assessment of cancer risk, but cancer may not be the risk that is of most concern. Ecological threats, birth defects, liver damage, hormonal or immune deficiencies, or any of a thousand other problems may be the reason for regulating risk. Because the cancer risk may be irrelevant, gearing the risk standard to cancer may set the standard too high or too low. Risk assessment takes many different forms. Quantitative cancer risk assessment is only one of them and often not the most appropriate one to use.

Another problem is that the bright line, acceptable risk approach assumes a precision that most risk assessments cannot achieve. Risk assessment is still a relatively crude science and depending on which methodological assumptions are used, its results may vary a hundredfold or more. Thus, placing great legal weight on one point estimate of risk is an open invitation to shade the assumptions in a certain direction in order to achieve the desired outcome.

A third use of risk assessment is priority setting for individual risks or regulations, which involves comparing one specific risk to another. Such comparisons can be useful in putting any particular risk into perspective; but two caveats, neither of which has received much attention in Congress, are important to note. The first concerns the crudeness of risk estimates. If the uncertainty range around any point estimate of risk is several orders of magnitude, it frequently will be impossible to establish clearly that one risk is greater than another. The second caveat relates to the many dimensions of risk other than the amount of damage to health and the environment. These dimensions include whether the risk is undertaken voluntarily, whether the victims can be identified, and whether the nature of the risk is catastrophic—that is, whether great damage occurs at one time, as in a plane crash, or whether less damage occurs and is spread over time, as in car accidents. These dimensions of risk are important politically, psychologically, and even ethically. They need to be taken into account when comparing risks.

The fourth use of risk assessment is priority setting for government programs and budgets. This use was pioneered by EPA in 1987 when it published its report *Unfinished Business*. Senator Moynihan has introduced legislation requiring this type of priority setting to be instituted within EPA. Both the House and Senate appropriations committees for EPA have expressed interest in this approach in the belief that it might provide a "scientific" way of making (or justifying) difficult budget choices.

Comparisons of risks regulated by different programs are a useful way to consider priorities, and they hold long-term promise of bringing greater rationality to government budgeting and goal setting. However, we do not have (and may never have) good methods for comparing different types of risks. Comparing health risks with ecological risks, for example, is clearly a value-laden process. Moreover, acting on the results of broad risk comparisons is almost always impeded by individual statutory mandates. Each environmental program has its statutory support, which is designed (in part) to give each program high priority and prevent its being compared to other programs.

THE ROAD AHEAD

Risk assessment can be a powerful tool for improving environmental policy and decisionmaking. Like all powerful tools, however, it can be abused and employed for nefarious purposes.

Most of the risk legislation that has been proposed would have little short-term effect on environmental policy. However, I believe some of the proposals could do major harm to the quality of the science behind regulatory initiatives by making risk guidelines judicially enforceable. Doing so would transform risk analysis from a scientific undertaking to a legal one, would preclude the exercise of scientific judgment on how to conduct risk assessments of individual chemicals, and would be a major obstacle to incorporating scientific advances into risk assessment. In addition, some proposals would make risk assessment information useless to decisionmakers by dictating which risk assessment methodologies are used. Some of these proposals can be interpreted to mean that risk assessments should determine risk to the average person rather than to the most vulnerable people.

However, the discovery of risk analysis by the 103d Congress means that the new Republican Congress has an opportunity to forge legislation that will improve the long-term quality of regulatory decisions and environmental policy. If the varied interests with a stake in environmental policy can reduce the ideological and partisan coloration that has characterized the risk debate so far, and if they can accept both the uses and limitations of risk assessment, the risk debate could lead to a new era of more effective, efficient, and equitable environmental programs.

Mr. LOTT. Mr. President, I rise today to announce that with my colleagues, Senators MURKOWSKI and JOHNSTON, we are introducing the Department of Energy Risk Management Act of 1995.

I believe that most Americans would be shocked and dismayed to discover that Federal agencies every day release and enforce rules that have not been validated with solid, sound, scientific data.

It does not make sense, but unfortunately it is true.

That is why legislation is needed to mandate a commonsense approach.

We have crafted a bill which simply demands that the Department of Energy act in a scientifically responsible manner.

This year's legislation builds on the bill I introduced in the last Congress and the two successful amendments offered by Senator JOHNSTON of Louisiana.

Senator JOHNSTON's amendments were overwhelmingly adopted, and this clearly illustrates the congressional frustration and bipartisan support for stopping Federal agencies which avoid sound science and fiscal responsibility in rulemaking.

Senator MURKOWSKI, as the new chairman of the Energy and Natural Resources Committee, has played a critical role in focusing this legislation. And his committee is an appropriate forum to examine the issue and its consequences.

This year similar legislation was introduced in the House of Representatives and is already receiving scrutiny through hearings.

There is also comparable and more comprehensive legislation being drafted by Senator DOLE, the majority leader.

There are also bills introduced by Senators BAUCUS, MOYNIHAN, and ROTH which touch on the same subject.

Clearly, there is a groundswell of legislative activity to stop Federal agency abuse in the name of science which, more often than not, turns out to be false, questionable, or even misleading.

This deceptive and dishonest regulatory zeal reminds me of the title of an ABC news program by John Stossel—"Are We Scaring Ourselves to Death."

This program made its point in a compelling manner—Federal rulemaking is seriously flawed.

Our legislation will not add to the confusion. It will not stall scientific advances, and it will not prescribe how to conduct scientific research.

On the contrary, in a nutshell, it will just force transparency and accountability in the rulemaking process and nothing more.

No Federal agency should be afraid of honestly displaying to the American people they are protecting the science, logic, assumptions, and inferences used to establish the rules and standards it imposes.

This is not irresponsible and not burdensome.

Our legislation does permit Americans to: First, challenge existing risk assessments; second, insist on an independent peer review of the risk and its corresponding rule; and third, request the ultimate American right of a trial when there is an honest disagreement.

The existing regulatory system is upside down. Agencies which have a vested interest in promulgating rules cannot be challenged in any public forum on the very foundation and basis for its rules.

Our legislation is not questioning the necessity for the rule or rulemaking.

We are just talking about the underlying risk assessments.

Our legislation merely levels the playing field between the benevolent protector and the protected American public. I cannot imagine why this is so threatening, unless there are many rules that cannot pass the red-face test as my coauthor and friend, Senator JOHNSTON, is fond of saying.

Tell me what is so threatening by the words "scientifically objective and unbiased."

Maybe the status quo can be characterized, as I believe, as cavalier and arbitrary.

I see peer review as a useful certification function which ends the Federal Government's stifling monopoly over risk assessment methodology and practices. By extending power to scientists from academia, who have no vested interest in the agency, makes good Mississippi sense. Who feels safe when the fox watches the hen house? And that is what is happening now.

All we want to do is restore the public confidence in the rulemaking process and the risk assessment methods.

And, I am confident that this is the same goal of each Senator who is involved in examining this issue.

It serves no useful purpose for regulators to hide their value judgments behind complicated mathematical probabilities which just do not make sense. In the end the American citizen is unable to either comprehend or distinguish the authentic risk.

Our legislation will not bog down the process as opponents will assert. But, like many of the risks subjected to rules, this too is a false argument because only major rules will be subjected to this process.

Our legislation will not gut existing environmental laws as opponents will also claim. Wrong. There is a specific section in the bill which expressly states that no existing statutes will be removed. Although there are a lot that I would like to see removed as we go forward, that is not what this bill does.

Why would opponents advance such shrill and untrue assertions? Perhaps there are regulations which will fail the Johnston red-face test or serve as another illustration for John Stossel to humiliate an agency.

Public policy should not be maintained just to avoid agency embarrassment.

This only perpetuates the harm done to Americans who have lost economic opportunities through misplaced priorities for unfounded risks.

And, even more serious, public dollars have been wasted chasing an agenda rather than valid risks. This has exposed Americans to real risks which could have been corrected long ago.

Risk based decisionmaking is obvious, especially since our Government, and the private sector, spends billions through the regulatory process to protect the environment and human health.

Our country needs a way to choose regulatory priorities, just like families prioritize its spending. This can be done with the cost/benefit provision in this legislation without greater exposure to risks.

Asserting an unfounded risk is not a substitute for informed and thoughtful consideration by accountable officials who work with the public to make balanced decisions.

The Murkowski-Johnston bill gives you accountability and public access.

I am proud of the bipartisan and collaborative effort this legislation represents.

It is a solid commitment to sound rulemaking which will not jeopardize our environment or the health of our citizens.

Our legislation will remove misinformation and public confusion.

I believe the Department of Energy Risk Management Act deserves your serious consideration and support.

So I urge my colleagues to look at this legislation. It has been carefully crafted over a number of months. It is long overdue in my opinion.

I would like to say now that I certainly commend the distinguished Senator from Alaska for the good work he has done. He has already had some preliminary hearings on this. I hope we can move this legislation early in this session.

By Mr. MCCONNELL (for himself and Mr. BIDEN):

S. 334. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to encourage States to enact a law enforcement officers' bill of rights, to provide standards and protection for the conduct of internal police investigations, and for other purposes; to the Committee on the Judiciary.

THE LAW ENFORCEMENT OFFICERS' BILL OF RIGHTS ACT OF 1995

• Mr. MCCONNELL. Mr. President, I am pleased to introduce a bill to establish a law enforcement officer's bill of rights. In every city and town, we rely on law enforcement officers to protect our safety. They put their lives on the line for us every single day.

And, often their jobs can be very difficult. The Constitution requires they conduct themselves appropriately, and they are subject to the laws and regulations set out by Congress as well as State and local regulatory bodies. They have to make snap decisions in high pressure situations. If they make the wrong decision, they can be subject to a lawsuit—for violation of the civil rights of a citizen.

While citizens have protection when a law enforcement officer engages in improper conduct, the police officer is often left without any legal rights when subject to disciplinary action. This bill aims to correct that unfairness.

The bill guarantees basic due process rights to law enforcement officers who are subject to investigation or interrogation for noncriminal disciplinary matters. And, let me emphasize that these rights do not apply in an emergency situation where the police officer is suspected of committing a crime or where that officer would be a threat to the safety or property of others. The bill reserves in the chief of police or other local officials the right to immediately suspend an officer who is suspected of committing a serious offense.

But, where there is no criminal conduct and no emergency situation, a police officer should have a right to be informed of his or her misconduct, to answer the charges, and to be represented by a lawyer or other appropriate person. These are basic due process rights that should be guaranteed to those on whom we rely to protect our safety.

Mr. President, there are some 475,000 State and local law enforcement officers who put their lives on the line for the rest of us. Let us give them their basic and fundamental rights.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Law Enforcement Officers' Bill of Rights Act of 1995".

SEC. 2. RIGHTS OF LAW ENFORCEMENT OFFICERS.

(a) IN GENERAL.—Part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781 et seq.) is amended by adding at the end the following new section:

"RIGHTS OF LAW ENFORCEMENT OFFICERS

"SEC. 819. (a) DEFINITIONS.—In this section—

" 'disciplinary action' means the suspension, demotion, reduction in pay or other employment benefit, dismissal, transfer, or similar action taken against a law enforcement officer as punishment for misconduct.

" 'disciplinary hearing' means an administrative hearing initiated by a law enforcement agency against a law enforcement officer, based on probable cause to believe that the officer has violated or is violating a rule, regulation, or procedure related to service as an officer and is subject to disciplinary action.

" 'emergency suspension' means temporary action imposed by the head of the law enforcement agency when that official determines that there is probable cause to believe that a law enforcement officer—

"(A) has committed a felony; or

"(B) poses an immediate threat to the safety of the officer or others or the property of others.

" 'investigation'—

"(A) means the action of a law enforcement agency, acting alone or in cooperation with another agency, or a division or unit

within an agency, or the action of an individual law enforcement officer, taken with regard to another enforcement officer, if such action is based on reasonable suspicion that the law enforcement officer has violated, is violating, or will in the future violate a statute or ordinance, or administrative rule, regulation, or procedure relating to service as a law enforcement officer; and

"(B) includes—

"(i) asking questions of other law enforcement officers or nonlaw enforcement officers;

"(ii) conducting observations;

"(iii) evaluating reports, records, or other documents; and

"(iv) examining physical evidence.

" 'law enforcement agency' means a State or local public agency charged by law with the duty to prevent or investigate crimes or apprehend or hold in custody persons charged with or convicted of crimes.

" 'law enforcement officer' and 'officer'—

"(A) mean a member of a law enforcement agency serving in a law enforcement position, which is usually indicated by formal training (regardless of whether the officer has completed or been assigned to such training) and usually accompanied by the power to make arrests; and

"(B) include—

"(i) a member who serves full time, whether probationary or nonprobationary, commissioned or noncommissioned, career or noncareer, tenured or nontenured, and merit or nonmerit; and

"(ii) the chief law enforcement officer of a law enforcement agency.

" 'summary punishment' means punishment imposed for a minor violation of a law enforcement agency's rules and regulations that does not result in suspension, demotion, reduction in pay or other employment benefit, dismissal, or transfer.

"(b) APPLICATION OF SECTION.—

"(1) IN GENERAL.—This section sets forth rights that shall be afforded a law enforcement officer who is the subject of an investigation.

"(2) NONAPPLICABILITY.—This section does not apply in the case of—

"(A) a criminal investigation of a law enforcement officer's conduct; or

"(B) a nondisciplinary action taken in good faith on the basis of a law enforcement officer's employment related performance.

"(c) POLITICAL ACTIVITY.—Except when on duty or acting in an official capacity, no law enforcement officer shall be prohibited from engaging in political activity or be denied the right to refrain from engaging in such activity.

"(d) RIGHTS OF LAW ENFORCEMENT OFFICERS WHILE UNDER INVESTIGATION.—When a law enforcement officer is under investigation that could lead to disciplinary action, the following minimum standards shall apply:

"(1) NOTICE OF INVESTIGATION.—A law enforcement officer shall be notified of the investigation prior to being interviewed. Notice shall include the general nature and scope of the investigation and all departmental violations for which reasonable suspicion exists. No investigation based on a complaint from outside the law enforcement agency may commence unless the complainant provides a signed detailed statement. An investigation based on a complaint from outside the agency shall commence within 15 days after receipt of the complaint by the agency.

"(2) NOTICE OF PROPOSED FINDINGS AND RECOMMENDATION.—At the conclusion of the investigation, the person in charge of the investigation shall inform the law enforcement officer under investigation, in writing, of the investigative findings and any recommendation for disciplinary action that the person intends to make.

"(e) RIGHTS OF LAW ENFORCEMENT OFFICERS PRIOR TO AND DURING QUESTIONING.—When a law enforcement officer is subjected to questioning that could lead to disciplinary action, the following minimum standards shall apply:

"(1) REASONABLE HOURS.—Questioning of a law enforcement officer shall be conducted at a reasonable hour, preferably when the law enforcement officer is on duty, unless exigent circumstances otherwise require.

"(2) PLACE OF QUESTIONING.—Questioning of the law enforcement officer shall take place at the offices of the persons who are conducting the investigation or the place where the law enforcement officer reports for duty, unless the officer consents in writing to being questioned elsewhere.

"(3) IDENTIFICATION OF QUESTIONER.—The law enforcement officer under investigation shall be informed, at the commencement of any questioning, of the name, rank, and command of the officer conducting the questioning.

"(4) SINGLE QUESTIONER.—During any single period of questioning of the law enforcement officer, all questions shall be asked by or through a single investigator.

"(5) NOTICE OF NATURE OF INVESTIGATION.—The law enforcement officer under investigation shall be informed in writing of the nature of the investigation prior to any questioning.

"(6) REASONABLE TIME PERIOD.—Any questioning of a law enforcement officer in connection with an investigation shall be for a reasonable period of time and shall allow for reasonable periods for the rest and personal necessities of the law enforcement officer.

"(7) NO THREATS OR PROMISES.—Threats against, harassment of, or promise of reward shall not be made in connection with an investigation to induce the answering of any question. No statement given by the officer may be used in a subsequent criminal proceeding unless the officer has received a written grant of use and derivative use immunity or transactional immunity.

"(8) RECORDATION.—All questioning of any law enforcement officer in connection with the investigation shall be recorded in full, in writing or by electronic device, and a copy of the transcript shall be made available to the officer under investigation.

"(9) COUNSEL.—The law enforcement officer under investigation shall be entitled to counsel (or any other one person of the officer's choice) at any questioning of the officer, unless the officer consents in writing to being questioned outside the presence of counsel.

"(f) DISCIPLINARY HEARING.—

"(1) NOTICE OF OPPORTUNITY FOR HEARING.—Except in a case of summary punishment or emergency suspension described in subsection (h), if an investigation of a law enforcement officer results in a recommendation of disciplinary action, the law enforcement agency shall notify the law enforcement officer that the law enforcement officer is entitled to a hearing on the issues by a hearing officer or board prior to the imposition of any disciplinary action.

"(2) REQUIREMENT OF DETERMINATION OF VIOLATION.—No disciplinary action may be taken unless a hearing officer or board determines, pursuant to a fairly conducted disciplinary hearing, that the law enforcement officer violated a statute, ordinance, or published administrative rule, regulation, or procedure.

"(3) TIME LIMIT.—No disciplinary charges may be brought against a law enforcement officer unless filed within 90 days after the commencement of an investigation, except for good cause shown.

"(4) NOTICE OF FILING OF CHARGES.—The law enforcement agency shall provide written, actual notification to the law enforcement officer, not later than 30 days after the filing of disciplinary charges, of the following:

"(A) The date, time, and location of the disciplinary hearing, which shall take place not sooner than 30 days and not later than 60 days after notification to the law enforcement officer under investigation unless waived in writing by the officer.

"(B) The name and mailing address of the hearing officer.

"(C) The name, rank, and command of the prosecutor, if a law enforcement officer, or the name, position, and mailing address of the prosecutor, if not a law enforcement officer.

"(5) REPRESENTATION.—During a disciplinary hearing an officer shall be entitled to be represented by counsel or nonattorney representative.

"(6) HEARING BOARD AND PROCEDURE.—(A) A State shall determine the composition of a disciplinary hearing board and the procedures for a disciplinary hearing.

"(B) A disciplinary hearing board that includes employees of the law enforcement agency of which the officer who is the subject of the hearing is a member shall include at least 1 law enforcement officer of equal or lesser rank to the officer who is the subject of the hearing.

"(7) ACCESS TO EVIDENCE.—A law enforcement officer who is brought before a disciplinary hearing board shall be provided access to all transcripts, records, written statements, written reports, analyses, and electronically recorded information pertinent to the case that—

"(A) contain exculpatory information;

"(B) are intended to support any disciplinary action; or

"(C) are to be introduced in the disciplinary hearing.

"(8) IDENTIFICATION OF WITNESSES.—The disciplinary advocate for the law enforcement agency of which the officer who is the subject of the hearing is a member shall notify the law enforcement officer, or his attorney if he is represented by counsel, not later than 15 days prior to the hearing, of the name and addresses of all witnesses for the law enforcement agency.

"(9) COPY OF INVESTIGATIVE FILE.—The disciplinary advocate for the law enforcement agency of which the officer who is the subject of the hearing is a member shall provide to the law enforcement officer, at the law enforcement officer's request, not later than 15 days prior to the hearing, a copy of the investigative file, including all exculpatory and inculpatory information but excluding confidential sources.

"(10) EXAMINATION OF PHYSICAL EVIDENCE.—The disciplinary advocate for the law enforcement agency of which the officer who is the subject of the hearing is a member shall notify the law enforcement officer, at the officer's request, not later than 15 days prior to the hearing, of all physical, nondocumentary evidence, and provide reasonable date, time, place, and manner for the officer to examine such evidence at least 10 days prior to the hearing.

"(11) SUMMONSES.—The hearing board shall have the power to issue summonses to compel testimony of witnesses and production of documentary evidence. If confronted with a failure to comply with a summons, the hearing officer or board may petition a court to issue an order, with failure to comply being subject to contempt of court.

"(12) CLOSED HEARING.—A disciplinary hearing shall be closed to the public unless the law enforcement officer who is the subject of the hearing requests, in writing, that the hearing be open to specified individuals or the general public.

"(13) RECORDATION.—All aspects of a disciplinary hearing, including prehearing motions, shall be recorded by audio tape, video tape, or transcription.

"(14) SEQUESTRATION OF WITNESSES.—Either side in a disciplinary hearing may move for and be entitled to sequestration of witnesses.

"(15) TESTIMONY UNDER OATH.—The hearing officer or board shall administer an oath or affirmation to each witness, who shall testify subject to the applicable laws of perjury.

"(16) VERDICT ON EACH CHARGE.—At the conclusion of all the evidence, and after oral argument from both sides, the hearing officer or board shall deliberate and render a verdict on each charge.

"(17) BURDEN OF PERSUASION.—The prosecutor's burden of persuasion shall be by clear and convincing evidence as to each charge involving false representation, fraud, dishonesty, deceit, or criminal behavior and by a preponderance of the evidence as to all other charges.

"(18) FINDING OF NOT GUILTY.—If the law enforcement officer is found not guilty of the disciplinary violations, the matter is concluded and no disciplinary action may be taken.

"(19) FINDING OF GUILTY.—If the law enforcement officer is found guilty, the hearing officer or board shall make a written recommendation of a penalty. The sentencing authority may not impose greater than the penalty recommended by the hearing officer or board.

"(20) APPEAL.—A law enforcement officer may appeal from a final decision of a law enforcement agency to a court to the extent available in any other administrative proceeding, in accordance with the applicable State law.

"(g) WAIVER OF RIGHTS.—A law enforcement officer may waive any of the rights guaranteed by this section subsequent to the time that the officer has been notified that the officer is under investigation. Such a waiver shall be in writing and signed by the officer.

"(h) SUMMARY PUNISHMENT AND EMERGENCY SUSPENSION.—

"(1) IN GENERAL.—This section does not preclude a State from providing for summary punishment or emergency suspension.

"(2) HEALTH BENEFITS.—An emergency suspension shall not affect or infringe on the health benefits of a law enforcement officer or the officer's dependents.

"(i) RETALIATION FOR EXERCISING RIGHTS.—There shall be no penalty or threat of penalty against a law enforcement officer for the exercise of the officer's rights under this section.

"(j) OTHER REMEDIES NOT IMPAIRED.—Nothing in this section shall be construed to impair any other legal right or remedy that a law enforcement officer may have as a result of a constitution, statute, ordinance, regulation, collective bargaining agreement or other sources of rights.

"(k) DECLARATORY OR INJUNCTIVE RELIEF.—A law enforcement officer who is being denied any right afforded by this section may petition a State court for declaratory or injunctive relief to prohibit the law enforcement agency from violating such right.

"(l) PROHIBITION OF ADVERSE MATERIAL IN OFFICER'S FILE.—A law enforcement agency shall not insert any adverse material into the file of any law enforcement officer, or possess or maintain control over any adverse material in any form within the law enforcement agency, unless the officer has had an opportunity to review and comment in writing on the adverse material.

"(m) DISCLOSURE OF PERSONAL ASSETS.—A law enforcement officer shall not be required or requested to disclose any item of the officer's personal property, income, assets, sources of income, debts, personal or domestic expenditures (including those of any member of the officer's household), unless—

"(1) the information is necessary to the investigation of a violation of any Federal, State or local law, rule, or regulation with respect to the performance of official duties; and

"(2) such disclosure is required by Federal, State, or local law.

"(n) STATES' RIGHTS.—This section does not preempt State laws in effect on the date of enactment of this Act that confer rights that equal or exceed the rights and coverage afforded by this section. This section shall not be a bar to the enactment of a police officer's bill of rights, or similar legislation, by any State. A State law which confers fewer rights or provides less protection than this section shall be preempted by this section.

"(o) MUTUALLY AGREED UPON COLLECTIVE BARGAINING AGREEMENTS.—This section does not preempt existing mutually agreed upon collective bargaining agreements in effect on the date of enactment of this Act that are substantially similar to the rights and coverage afforded under this section.".

(b) TECHNICAL AMENDMENT.—The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. preceding 3701) is amended by inserting after the item relating to section 818 the following new item:

"Sec. 819. Rights of law enforcement officers.".●

● Mr. BIDEN. Mr. President, today I and Senator MCCONNELL are introducing the Law Enforcement Officers' Bill of Rights Act of 1995, a bill aimed at protecting the rights of law enforcement officers on the front line of this Nation's fight against violent crime and drug trafficking.

Police work is an incredibly difficult job, demanding split-second decisions that have life-or-death consequences. My colleagues may be surprised to find that despite the critical role that front-line law enforcement officers play to enforce the Constitution's rights and guarantees, and the related need to guarantee the highest standards of police conduct, internal disciplinary procedures in law enforcement agencies continue to vary widely across the nation.

The often ad hoc procedures that many departments use to guide internal investigations frequently allows police executives to take arbitrary and unfair actions against innocent police officers, while allowing culpable officers to avoid any punishment at all.

The law enforcement officers' bill of rights is designed to replace the ad hoc nature of many internal police investigations by encouraging States to provide minimum procedural standards to guide such investigations. The standards and protections offered by this bill are modeled on the Standards for Law Enforcement Agencies developed by the National Commission on Accreditation for Law Enforcement.

As the preface to the Commission's standards on internal affairs notes:

'The internal affairs function is important for the maintenance of professional conduct in a law enforcement agency. The integrity of the agency depends on the personal integrity and discipline of each employee. To a large degree, the public image of the agency is determined by the quality of the internal affairs function in responding to allegations of misconduct by the agency or its employees.

The specific standards and rights guaranteed by the law enforcement officers bill of rights introduced today include:

The right to engage or not engage in political activities independent of an officer's official capacity;

The right to be informed by a written statement of the charges brought against an officer;

The right to be free from undue coercion or harassment during an investigation; and

The right to counsel during an investigation.

The provisions of this bill will take effect at the end of the second full legislative term of each State. After such time, a law enforcement officer whose rights have been abridged may sue in State court for pecuniary and other damages, including full reinstatement.

Although the bill provides certain procedural rights, it gives States considerable discretion in implementing these safeguards, including the flexibility to provide for summary punishment and emergency suspensions of law enforcement officers.

It is also important to note what the bill does not do. The bill explicitly provides that the standards and protections governing internal investigations shall not apply to investigations of criminal misconduct by law enforcement officers. As a result, criminal investigations of law enforcement officers would not be affected by this bill.

Moreover, the protections in this bill do not apply to minor violations of departmental rules or regulations, not to actions taken on the basis of an officers' employment-related performance.

I would also like to acknowledge the hard work of several of the Nation's leading law enforcement organizations on this important bill. the real leaders behind this effort—and they have been the leaders since the police officers' bill of rights won passage in the Senate in 1991—are the Fraternal Order of Police, the National Association of Police Organizations, and the International Brotherhood of Police Officers. No one

should be confused about where the force behind the law enforcement officers bill of rights lies—it lies with these organizations.

Finally, let me say to the entire law enforcement community—you enjoy one of the most amicable and productive relationships between the rank and file and management. Many have observed that the reason for these relations is the fact that today's chief was yesterday's patrol officer—just as today's patrol officer will be tomorrow's sheriff. That is why I look forward to working with all members of the law enforcement community to pass legislation protecting the rights of all law enforcement officers.

Mr. President, I have heard many Members of the Senate reflect on the commitment of those brave individuals who risk their lives as front-line law enforcement officers. Mr. President, the bill we introduce today gives every Member of the Senate the chance to provide at least some of the protections these police heroes deserve.•

By Mr. D'AMATO:

S. 337. A bill to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE DEPOSITORY INSTITUTION AFFILIATION ACT OF 1995

• Mr. D'AMATO. Mr. President, I today introduce the Depository Institution Affiliation Act of 1995 to modernize the antiquated laws governing the financial services industry. I am pleased that Representative RICHARD BAKER, chairman of the House Banking Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, will today introduce similar legislation. This comprehensive legislation seeks:

To promote competition among bank and nonbank providers of financial services;

To encourage innovation in the design and delivery of financial services and products to individuals, large and small businesses, nonprofit institutions, and municipalities;

To ensure the adequate regulation of financial intermediaries in order to protect depositors and investors;

To preserve the safety and soundness of the banking system and the overall financial system; and

To protect the Nation's taxpayers by requiring that nonbanking activities are conducted in separately capitalized and functionally regulated affiliates.

Mr. President, now is the time to ready the Nation's financial services industry for the 21st century. Congress has allowed regulation of the financial services industry, a goliath with 5 million employees and $16 trillion in assets, to fall far behind market forces. Since the late 1970's, market forces have fueled massive changes in the financial services industry. But the United States still relies on a regulatory system, born in the wake of the Great Depression, which stifles competition among providers of financial services. Without comprehensive reform, the Nation risks losing its leadership in the global market for financial services to Europe and Japan.

Mr. President, this bill is virtually identical to legislation that I have previously sponsored or cosponsored. I first introduced this bill in 1987 as S. 1905, and I reintroduced it in 1989 as S. 530. The actual text of the 1995 bill, and its significant principles and provisions, are identical to the earlier versions. The 1995 version, however, contains technical and conforming changes to reflect the enactment of banking laws since its original introduction, such as the Financial Institutions Reform and Recovery and Enforcement Act of 1989, Public Law 101–73, the Federal Deposit Insurance Corporation Improvement Act of 1991, Public Law 102–242, and the interstate banking and community development bills of the last Congress.

Mr. President, I remain committed to comprehensive, fair, and innovative financial services reform. Congress must assert its authority and meet its responsibility to increase the availability of innovative financial products and services for consumers, businesses and Government at the lowest possible cost.

Mr. President, let me summarize the key provisions of the Depository Institution Affiliation Act [DIAA]. I will submit a more detailed section-by-section explanation of the bill at the end of my remarks.

In general, the DIAA retains and reinforces the basic principles reflected in the present framework for regulation of federally insured banks and thrifts, while permitting banks and nonbanks to affiliate in a holding company framework. The DIAA thus preserves all the safety-and-soundness and conflict-of-interest protections of the present system, while providing legal flexibility for a company to meet the financial needs of consumers, businesses and others by removing limitations on affiliations.

Mr. President, the DIAA would establish a new charter alternative for all companies interested in entering or diversifying in the financial services field—a financial services holding company [FSHC]. The bill would permit the merging of banking and commerce under carefully regulated circumstances by allowing a FSHC to own both a depository institutions and companies engaged in both financial and nonfinancial activities.

Mr. President, by authorizing an alternative regulatory framework, the legislation would essentially exempt a FSHC's subsidiaries and affiliates from those sections of the Glass-Steagall and Bank Holding Company Acts that restrict mixing commercial banking with other financial—securities, investment banking, and so forth—and nonfinancial activities—retailing, technology, manufacturing. A FSHC would be able to diversify into any activity through affiliates of the holding company with such affiliates subject to enhanced regulation.

Mr. President, the regulation of the bank and nonbank affiliates of financial services holding companies would be along functional lines. The insured-bank affiliate would be regulated by Federal and State bank regulators, the securities affiliate by the Securities and Exchange Commission, and so on. Thus, for each affiliate, existing regulatory expertise will be applied to protect consumers, investors and taxpayers. Functional regulation will also assure that competition in discrete products and services is fair by eliminating current loopholes and regulatory gaps.

Mr. President, I want to underscore that the DIAA would not require existing firms to alter their regulatory structure. By permitting financial services providers to become FSHC's, such providers will have the options to phase gradually into, or expand within, the financial services industry.

Mr. President, our country still relies on a system of financial regulation that was established in the aftermath of the economic collapse of the 1930's and the Great Depression. By restricting competition among the various sectors of the financial services industry, the Glass-Steagall Act of 1933, the Federal securities law of that era, and the Bank Holding Company Act of 1956 sought to enhance the safety of financial instruments and intermediaries.

Mr. President, the past 20 years have seen a growing competition among providers of financial services. Banks seek more freedom to sell securities, mutual funds and insurance. Nonbank lenders, such as brokerage and insurance firms, offer commercial loans and other financing arrangements to business. And, finance companies and their commercial owners now play an increased role in the Nation's financial system. Many financial intermediaries provide functionally equivalent products and services.

Mr. President, the United States must adopt a regulatory regime that recognizes market realities and assesses and controls risk. Our present patchwork of financial laws protects particular industries, restrains competition, prevents diversification that would limit risks, restricts potential sources of capital, and undermines the efficient delivery of services and the competitive position of our financial institutions in world markets.

Mr. President, the Banking Committee and other committees of Congress have already held exhaustive hearings on the issues raised by the DIAA and

reviewed bookshelves full of studies and blueprints for financial reform. Rather than enact comprehensive reform, Congress has thus far ceded the playing field to piecemeal deregulation by bank regulators and the courts. We must now end this debate and enact a legal framework that prepares our financial institutions for the new century and the challenges of a rapidly changing global economy.

Mr. President, the DIAA represents a good starting point and a sound approach to modernizing our financial structure. I recognize that this bill can be improved from the 1987 version, and I am specifically requesting constructive and helpful comments to improve and to refine the major principles underlying the bill.

Mr. President, congressional studies, Federal regulators, and industry leaders have supported comprehensive reform of the Nation's financial system. The Treasury Department's study, "Modernizing the Financial System: Recommendations for Safer, More Competitive Banks" (1991), essentially endorsed the legislation I am introducing today. In the recently enacted Riegle-Neal Interstate Banking and Efficiency Act of 1994 Congress directed Treasury to conduct another study of the Nation's financial services system. In a letter sent to Secretary Rubin today, I have strongly urged the Treasury Department to endorse and to reaffirm the basic conclusions of its 1991 study and to make further recommendations to promote competitiveness and efficiency, and to protect the taxpayer.

Mr. President, given the broad support for comprehensive reform, why has Congress not overhauled the antiquated laws governing financial services? Why has Congress, by default, permitted the bank regulatory agencies and the courts to rewrite, in an ad hoc fashion, these laws?

Mr. President, the answer is clear. Congress, Federal regulators, and the affected industries have lacked the vision to support the comprehensive reform reflected in this bill. We have debated bank deregulation and expanded bank powers. This polarizing debate has pitted the banks against securities firms, big banks against small banks, and banks against insurance agents and real estate brokers.

Mr. President, history must not repeat itself. Today, as the Fed, the FDIC and the Comptroller of the Currency consider modifying their rules to permit banks, nonbank affiliates of holding companies and operating subsidiaries of national banks to engage in a de novo or additional securities and insurance activities, I have a sense of deja vu. In 1987, the Competitive Equality Banking Act was passed to preserve Congress' ability to conduct a comprehensive review of banking and financial laws, and to make decisions on the need for financial restructuring legislation. Congress imposed a statutory moratorium on the authority of bank regulators to approve certain securities, insurance and real estate activities, 100–86. This moratorium ended on March 1, 1988.

Mr. President, the Banking Committee closely monitors activities and rulemaking of Federal bank regulators. With all the talk around Washington of regulatory moratoriums, I strongly urge bank regulators to support our efforts to rewrite the laws they administer rather than to stretch current laws beyond their statutory terms or the intent of Congress.

Mr. President, our outdated regulatory regime has hurt the global competitiveness of U.S. financial institutions. Over the past 20 years, in part because financial markets in Japan and Europe are less regulated than in the United States, the number of American banks among the top 25 in the world has dropped from eight to none. In an era of increased globalization and free trade, as illustrated by NAFTA and GATT, we must not shackle U.S. financial institutions with a statutory framework that responds to the policy concerns of the 1930's.

Mr. President, the 104th Congress must address and resolve the important questions relating to the health and future of the banking industry in the broader context of a financial system that is increasingly composed of nonbank financial service providers. We must focus on the needs of our economy for credit and growth in the future and the next century. We must focus on financial stability, safety and soundness, fair competition, and functional regulation of all financial service providers—whether they are banks, investment banks, insurance companies, finance companies or even telecommunications or computer companies.

Mr. President, we must live up to the challenge. In recent years, Congress has responded quickly and effectively to correct deficiencies or excesses in the financial system. In the face of problems created by stock market breaks, depleted deposit insurance funds, or credit crunches, we have addressed serious financial crises. In the process, Congress has prudently learned that statutory provisions adopted in the 1930's can aggravate and actually create problems for depository institutions and other financial providers in the 1980's and 1990's—for example, interest rate controls, restrictions on interstate banking, portfolio concentrations, and statutory impediments to diversification. Congress has eliminated or modified many of these provisions of law in the past decade for banks and thrifts. The homogenization of financial service and globalization of markets has also necessitated the close coordination by discrete regulators, nationally and internationally, through informal mechanisms, such as the Treasury Department's Working Group and the so-called Basle Committee. In recent years, in FIRREA and FIDICA, Congress has also employed market-oriented substitutes for direct government regulation, such as industry developed codes of conduct, capital strength, internal controls, management information systems and management experience.

Mr. President, Congress must modernize the restrictions on affiliations found in the Glass-Steagall and Bank Holding Company Acts. I introduce this bill today, and make these extensive remarks, to underscore the critical national importance of modernizing our financial system. Last year, Congress was finally able to eliminate barriers to interstate banking, to facilitate the securitization of small business loans, and to prune outdated and burdensome regulatory requirements. Those bills were the result of a successful collaboration among the administration, Federal and State regulators, and providers and consumers of financial services. I seek to sustain this process and pass comprehensive financial services reform during this Congress.

Mr. President, history demonstrates that financial services reform that is not comprehensive will not be enacted. I have previously opposed piecemeal reform because such reform is not procompetitive, is inconsistent with the objective of "competitive equality" articulated by Congress in 1987 and the Treasury's 1991 study, and will not advance the long-term interests of the banking industry or the United States.

Mr. President, the DIAA will make the financial system as a whole safer and more stable. Rather than debate the important but narrow issue of the future of the banking franchise and the role of banks in the economy and attempt to gerrymander markets through piecemeal legislation to protect any single component, Congress must enact comprehensive legislation. Only comprehensive legislation will produce beneficial changes for all financial intermediaries by:

Permitting financial intermediaries—commercial banks, investment banks, thrifts, et cetera—to attract capital by eliminating existing restrictions on ownership by and affiliations among depository and nondepository firms;

Facilitating diversification and assuring fair competition by creating a new category of financial service holding companies authorized to engage in any financial activity through separately regulated subsidiaries;

Insulating insured subsidiaries from the more risky business activities of other affiliates as well as the parent holding company;

Enhancing substantially the quality and effectiveness of regulation through functional regulation;

Improving coordination and supervision of the overall financial system by permitting more effective analysis and monitoring of aggregate stability and vulnerability to severe disruptions and breakdown; and

Removing unnecessary barriers to competition between providers of financial service in the United States in order to maintain the preeminence of the U.S. capital markets and U.S. financial intermediaries and to respond to growing competition from foreign companies.

Mr. President, this legislation, as introduced, is not intended to force major changes in the insurance industry. Nevertheless, it will affect issues important to the insurance agents, insurance companies, and financial institutions engaged in insurance activities. The exact impact of the legislation on the relationship between banking and insurance will continue to be examined—especially the issues raised by traditional State regulation of the business of insurance.

Immediately following the bill's introduction, the Banking Committee will begin to examine issues relating to bank involvement in insurance activities. In the end, I expect the bill to balance appropriately fair competition, functional regulation and respect for the traditional leadership of the States in insurance regulation. As the committee proceeds to hearings and further consideration of the bill, I intend to make changes and adjustments in order to ensure fairness, safety and soundness, consumer protection, and effective and efficient regulation, particularly as it relates to insurance and other financial products.

Mr. President, I introduce the Depository Institution Affiliation Act as a prelude to a vigorous debate about the future of our financial system. I strongly believe that this Congress can achieve the passage of a comprehensive financial services reform bill. By working together, the Congress and the administration can overcome the complaints of vested interests and reform our antiquated financial services laws. We should not miss this opportunity for constructive bipartisanship.

Mr. President, I ask unanimous consent that more detailed section-by-section summary of the bill and a copy of my letter to Secretary Rubin be reprinted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPOSITORY INSTITUTION AFFILIATION ACT—SECTION-BY-SECTION ANALYSIS

Section 1: Short Title and table of contents.

Section 1 provides that this Act be cited as the "Depository Institution Affiliation Act".

Section 2: Findings and Purpose.

The purpose of this Act is to promote the safety and soundness of the nation's financial system, to increase the availability of financial products and services to consumers, businesses, charitable institutions and government in an efficient and cost effective manner. In addition, this Act aims to promote a legal structure governing providers of financial services that permits open and fair competition and affords all financial services companies equal opportunity to serve the full range of credit and financial needs in the marketplace. This Act also aims to ensure that domestic financial institutions and companies are able to compete effectively in international financial markets. Finally, this Act aims to regulate financial activities and companies along functional lines without regard to ownership, control, or affiliation.

TITLE I—CREATION AND CONTROL OF FINANCIAL SERVICES HOLDING COMPANIES

Section 101. This section creates a new type of financial company, a Financial Services Holding Company, and sets out the terms and conditions under which such a company can be established and must be operated.

Subsection (a) Definitions. This subsection defines terms used in this section.

Paragraph (a)(1) Financial Services Holding Company (FSHC)—defines a FSHC to be any company that files a notice with the National Financial Services Committee (see Title II of this Act) that it intends to comply with the provisions of this section, and controls an insured depository institution, or, either (i) has, within the preceding 12 months filed a notice under subsection (b) of this section to establish or acquire control of a federally insured depository institution or a company owning such a federally insured depository institution, or (ii) controls a company which, within the preceding 12 months, has filed an application for federal deposit insurance, provided that such notice or application has not been disapproved by the appropriate Federal banking agency or withdrawn. Any bank holding company which elects to become a FSHC will lose its status as a bank holding company immediately upon filing the notice of its election to become a FSHC. Similarly, a savings and loan holding company that elects to become a FSHC will lose that status upon filing the notice of its election to become a FSHC.

Paragraph (a)(2) Bank Holding Company—gives the term "bank holding company" the meaning given to it in section 2(a) of the Bank Holding Company Act of 1956, as amended.

Paragraph (a)(3) Savings and Loan Holding Company—gives the term "savings and loan holding company" the meaning given to it in section 10(a) of the Home Owners' Loan Act.

Paragraph (a)(4) Affiliate—defines for this section, except paragraph (5) of subsection (f), the term "affiliate" of a company as any company which controls, is controlled by, or is under common control with such a company.

Paragraph (a)(5) Appropriate Federal Banking Agency (AFBA)—gives the term "appropriate Federal banking agency" the meaning given to it in section 3 of the Federal Deposit Insurance Act.

Paragraph (a)(6) Depository Institution and Insured Depository Institution—gives the term "depository institution" and "insured depository institution" the meaning given to them in section 3 of the Federal Deposit Insurance Act.

Paragraph (a)(7) State—gives the term "State" the meaning given to it in section 3 of the Federal Deposit Insurance Act.

Paragraph (a)(8) Company—defines the term "company" to mean any corporation, partnership, business trust, association or similar organization. However, corporations that are majority owned by the United States or any State are excluded from the definition of company.

Paragraph (a)(9) Control—defines control by one company over another. For purposes of this section, the term "control" means the power, directly or indirectly, to direct the management or policies of a company, or to vote 25% or more of any class of voting securities of a company.

There are three exceptions from the definition of control: These pertain to ownership of voting securities acquired or held:

1. as agent, trustee or in some other fiduciary capacity;

2. as underwriter for such a period of time as will permit the sale of these securities on a reasonable basis; or in connection with or incidental to market making, dealing, trading, brokerage or other securities-related activities, provided that such shares are not acquired with a view toward acquiring, exercising or transferring control of the management or policies of the company;

3. for the purpose of securing or collection of a prior debt until two years after the date of the acquisition; and

In addition, no company formed for the sole purpose of proxy solicitation shall be deemed to be in control of another company by virtue of its acquisition of the voting rights of the other company's securities.

Paragraph (a)(10) Adequately Capitalized—the term 'adequately capitalized' with respect to an insured depository institution has the meaning given to it in section 38(b)(1) of the Federal Deposit Insurance Act.

Paragraph (a)(11) Well Capitalized—the term 'well capitalized' with respect to an insured depository institution has the meaning given to it in section 38(b)(1) of the Federal Deposit Insurance Act.

Paragraph (a)(12) Minimum Required Capital—defines the term 'minimum required capital' with respect to an insured depository institution as the amount of capital that is required to be adequately capitalized.

Paragraph (a)(13) Domestic Branch—gives the term 'domestic branch' the same meaning as in section 3(o) of the Federal Deposit Insurance Act.

Subsection (b): Changes in Control of Insured Depository Institutions. This subsection provides that any FSHC wishing to acquire control of an insured depository institution or company owning such insured depository institution must comply with the requirements of the Change in Bank Control Act. Failure to comply with these requirements will subject the relevant FSHC to the penalties and procedures provided in subsections (i) through (m) of this section, in addition to otherwise applicable penalties.

Subsection (c): Affiliate Transactions. This subsection empowers each AFBA to impose restrictions on affiliate transactions to prohibit unsafe or unsound practices. These regulations would be in addition to the restrictions on interaffiliate transactions provided for under sections 23A or 23B of the Federal Reserve Act. This subsection gives each AFBA some flexibility to promulgate and adapt rules and regulations in response to changing market conditions so that the AFBA has at all times the capability to prevent insured depository institutions under its supervision that are controlled by FSHCs from engaging in transactions that would compromise the safety and soundness of such insured depository institutions or that would jeopardize the deposit insurance funds.

Moreover, other provisions of this Act assure that the AFBA will have the capability to enforce these regulations vigorously (subsection (i) of this section) and that any violations of these regulations will be more severely punished than violations of regulations applicable to insured depository institutions that are not controlled by FSHCs (subsections (i), (j), (k) and (l) of this section).

Paragraph (c)(2) Regulatory Activity—provides that any rules adopted under subparagraph (c)(1)(A) shall be issued in accordance with normal rulemaking procedures and shall afford interested parties the opportunity to comment in writing and orally on any proposed rule.

Paragraph (c)(3) Application to Prior Approved Transactions—grandfathers interaffiliate transactions specifically approved by a AFBA prior to the enactment of this Act.

Paragraph (c)(4) Federal Reserve Act Treatment—makes it clear that sections 23A and 23B of the Federal Reserve Act will apply to every insured depository institution controlled by a financial services holding company.

Paragraphs (c) (5) and (6) Limitations and Exception—prohibits any insured depository institution controlled by a FSHC from extending credit to or purchasing the assets of a securities affiliate and providing other types of financial support to that FSHC's securities affiliate except for daylight overdrafts that relate to U.S. Government securities transactions if the daylight overdrafts are fully collateralized by U.S. Government securities as to principal and interest.

Paragraph (c)(7) Limitation on Certain Marketability Activities—prohibits insured depository institutions controlled by a FSHC from providing any type of guarantee for the purpose of enhancing the marketability of a securities issue underwritten or distributed by a securities affiliate of that FSHC.

Paragraph (c)(8) Activities During Securities Distribution—prohibits insured depository institutions controlled by a FSHC from extending credit secured by or for the purposes of purchasing any security during an underwriting period or for 30 days thereafter where a securities affiliate or such institution participates as an underwriter or member of a selling group.

Paragraph (c)(9) Extensions of Credit for Payment of Dividends—prohibits insured depository institutions controlled by a FSHC from extending credit to an issuer of securities underwritten by a securities affiliate for the purpose of paying the principal of those securities or interest for dividends on those securities.

Paragraph (c)(10) Securities Affiliate Defined—defines 'securities affiliate' for the purposes of paragraphs (c)(5) through (c)(9) as a company that engages in underwriting, distributing or dealing in securities, except insurance products.

Subsection (d): Capitalization. This subsection regulates the capitalization of insured depository institutions that are controlled by a FSHC.

Paragraph (d)(1) In General—requires that insured depository institutions controlled by a FSHC be well capitalized.

Paragraph (d)(2) Actions by Federal Regulators—Provides that if the AFBA finds that an insured depository institution subsidiary of a FSHC is not well capitalized, the FSHC shall have thirty days to reach an agreement without the AFBA concerning how and according to what schedule the insured depository institution will bring its minimum capital back into conformance with requirements. During that time the insured depository institution shall operate under the close supervision of the AFBA.

In the event that the FSHC does not reach an agreement within thirty days with the AFBA on how and according to what schedule the capital of the insured depository institution will be replenished, the FSHC will be required to divest the insured depository institution in an orderly manner within a period of six months, or such additional period of time as the AFBA may determine is reasonably required in order to effect such divestiture.

Paragraph (d)(3) Capital of Holding Company—Prohibits a AFBA from imposing any capital requirement on a FSHC.

Subsection (e): Interstate Acquisitions and Activities of Insured Depository Institutions. This subsection subjects interstate acquisitions of an insured depository institution by a FSHC to the same restrictions as those applicable to bank holding companies under section 3(d) of the Bank Holding Company Act of 1956, as amended, and it subjects interstate acquisitions of savings associations by a FSHC to the same restrictions as those applicable to savings and loan holding companies. It also treats a FSHC as a BHC for purposes of Section 18(r) of the Federal Deposit Insurance Act regarding affiliate depository institution agency activities.

Subsection (f): Differential Treatment Prohibition; Laws Inconsistent with this Act. This subsection does two things. First, it prohibits adversely differential treatment of FSHCs and their affiliates, including their insured depository institution affiliates, except as this Act specifically provides. Second, this subsection ensures that state and federal initiatives do not undermine achievement of the purposes of this Act. Whether couched as affiliation, licensing or agency restrictions or as constraints on access to state courts, such laws effectively perpetuate market barriers and deny consumers the opportunity to choose between different financial products and services.

Paragraph (f)(1) this paragraph specifically prohibits states from enacting laws that discriminate against FSHCs or against their affiliates, including their insured depository institution affiliates. This paragraph also prohibits, notwithstanding any other federal law, federal and state regulatory agencies from discriminating by rule, regulation, order or any other means against FSHCs or against their affiliates, including their insured depository institution affiliates, except as this Act specifically provides. This is intended to assure that the primary purpose of this Act—the enhancement of competition in the depository institution sector—will be fulfilled.

Paragraph (f)(2) Application of State Laws—this subsection recognizes that certain State affiliation and licensing laws restrain legitimate competition in interstate commerce, deny consumers freedom of choice in selecting an insured depository institution and threaten the long-term safety and soundness of insured depository institutions by limiting their access to capital.

Accordingly, with the exception of certain laws related to insurance and real estate brokerage which are treated in Subsection (g), this paragraph preempts any provision of federal or state law, rule, regulation or order that is expressly or impliedly inconsistent with the provisions of this section. The preempted statutes include state banking, savings and loan, securities, finance company, retail or other laws which restrict the affiliation of insured depository institutions or their owners, agents, principals, brokers, directors, officers, employees or other representatives with other firms. Similarly, laws prohibiting cross marketing of products and services are preempted insofar as such cross marketing activities are conducted by FSHCs, their affiliates, or by any agent, principal, broker, director, officer, employee or other representative. By contrast, nondiscriminatory state approval, examination, supervisory, regulatory, reporting, licensing, and similar requirements are not affected.

Paragraph (f)(3) Laws Affecting Court Actions—removes a common uncertainty under state licensing and qualification to do business statutes, which leaves an out-of-state insured depository institution's access to another state's courts unresolved. Under this provision, so long as such an insured depository institution limits its activities to those which do not constitute the establishment or operation of a "domestic branch" of an insured depository institution in that other state, it can qualify to maintain or defend in that state's court any action which could be maintained or defended by a company which is not an insured depository institution and is not located in that state, subject to the same filing, fee and other conditions as may be imposed on such a company. This paragraph is not intended to grant states any power that they do not currently have to regulate the activities of out-of-state insured depository institutions.

Paragraph (f)(4) Other Restrictions—makes clear that a state, except subject to the provisions of this Act, may not impede or prevent any insured depository institution affiliated with a FSHC or any FSHC or affiliate thereof from marketing products and services in that state by utilizing and compensating its agents, solicitors, brokers, employees and other persons located in that state and representing such a insured depository institution, company, or affiliate. However, to the extent such persons are performing loan origination, deposit solicitation or other activities in which an insured depository institution may engage, those activities cannot constitute the establishment or operation of a "domestic branch" at any location other than the main or branch offices of the depository institution.

Paragraph (f)(5) Definitions—contains a special definition of "affiliate" and "control" for purposes of paragraph (2) through (4) this subsection only. Control is deemed to occur where a person or entity owns or has the power to vote 10% of the voting securities of another entity or where a person or entity directly or indirectly determines the management or policies of another entity or person. Unlike the definition of affiliate set forth in paragraph (4) of subsection (a), this definition encompasses not only corporate affiliations but affiliations between corporations and individuals.

Subsection (g): Securities, Insurance and Real Estate Activities of Insured Depository Institutions. In order to facilitate functional regulation of the activities of FSHCs this section prohibits insured depository institutions controlled by FSHCs from conducting certain securities, insurance and real estate activities currently permissible for some insured depository institutions.

Subparagraph (g)(1)(A) Securities Activities—provides that no insured depository institution controlled by a FSHC shall directly engage in dealing in or underwriting securities, or purchasing or selling securities as agent, except to the extent such activities are performed with regard to obligations of

the United States or are the type of activities that could be performed by a national bank's trust department.

Subparagraph (g)(1)(B) Insurance Activities—provides that no insured depository institution controlled by a FSHC shall directly engage in insurance underwriting.

Subparagraph (g)(1)(C) Real Estate Activities—provides that no insured depository institution controlled by a FSHC shall directly engage in real estate investment or development except insofar as these activities are incidental to the insured depository institution's investment in or operation of its own premises, result from foreclosure on collateral securing a loan, or are the type of activities that could be performed by a national bank's trust department.

Paragraph (g)(2) Construction—clarifies that nothing in this subsection shall be construed to prohibit or impede a FSHC or any of its affiliates (other than an insured depository institution) from engaging in any of the activities set forth in paragraph (1) or to prohibit an employee of an insured depository institution that is an affiliate of a FSHC from offering or marketing products or services of an affiliate of such an insured depository institution as set forth in paragraph (1).

Paragraph (g)(3) De Novo Securities and Real Estate Activities—except for activities permitted under Section 4(c)(8) of the Bank Holding Company Act no FSHC can engage in insurance or real estate activities de novo. Rather, they would have to purchase either an insurance agency or real estate brokerage business which had been in business for at least two years prior to passage of the Act.

Paragraph (g)(4) Existing Contracts—provides that nothing in this subsection will require the breach of a contract entered into prior to enactment of this Act.

Subsection (h): Tying and Insider Lender Provisions. This section subjects FSHCs to the tying provisions of section 106 of the Bank Holding Company Act Amendments of 1970 and to the insider lending prohibitions of section 22(h) of the Federal Reserve Act. These sections prohibit tying between products and services offered by insured depository institutions and products and services offered by the FSHC itself or by any of its other affiliates. Note, however, that these tying provisions do not apply to products and services that do not involve an insured depository institution. The insider lending provisions severely limit loans by an insured depository institution to officers and directors of the insured depository institution. For purposes of both provisions, the AFBA will exercise the rulemaking authority vested in the Federal Reserve with regard to these limitations.

Subsection (i): Examination and Enforcement. This subsection provides that the AFBA shall use its examination and supervision authority to enforce the provisions of this section, including any rules and regulations promulgated under subsection (c). In particular, it is intended that each AFBA should structure its examination process so as to uncover possible violations of the provisions of this section and that the agency should not hesitate to make full use of its cease-and-desist powers or to impose as warranted the special penalties discussed below, if it believes that an insured depository institution under its supervision that is controlled by a FSHC is in violation of any of the provisions of this section.

This subsection also grants the AFBA authority to examine any other affiliate of the FSHC as well as the FSHC itself in order to ensure compliance with the limitations of this section or other provisions of law made applicable by this section such as sections 23A and 23B of the Federal Reserve Act.

In addition, this subsection grants each AFBA the right to apply to the appropriate district court of the United States for a temporary or permanent injunction or a restraining order to enjoin any person or company from violation of the provisions of this section or any regulation prescribed under this section. The AFBA may seek such an injunction or restraining order whenever it considers that an insured depository institution under its supervision or any FSHC controlling such an insured depository institution is violating, has violated or is about to violate any provision of this section or any regulation prescribed under this section. In seeking such an injunction or restraining order the AFBA may also request such equitable relief as may be necessary to prevent the violation in question. This relief may include a requirement that the FSHC divest itself of control of the insured depository institution, if this is the only way in which the violation can be prevented.

This injunctive power will enable the AFBA to move speedily to stop practices that it believes endanger the safety and soundness of an insured depository institution under its supervision that is controlled by a FSHC. If necessary to protect the depositors and safeguard the deposit insurance funds, the AFBA may request that the injunction proceedings be held in camera, so as not to provoke a run on the insured depository institution.

Subsection (j): Divestiture. This subsection states that an AFBA may require a FSHC to divest itself of an insured depository institution, if the agency finds that the insured depository institution is engaging in a continuing course of action involving the FSHC or any of its affiliates that would endanger the safety and soundness of that insured depository institution. Although the FSHC would have the right to a hearing and to judicial review and have one year in which to divest the insured depository institution, it should be emphasized that the insured depository institution would operate under the close supervision of the AFBA from the date of the initial order until the date the divestiture is completed. This is intended to safeguard the insured depository institution in question, its depositors and the deposit insurance funds.

Subsection (k): Criminal Penalties. This subsection provides for criminal penalties for knowing and willful violations of the provisions of this section, even if these violations do not result in an initial or final order requiring divestiture of the insured depository institution. For companies found to be in violation of the provisions of this section the maximum penalty shall be the greater of (a) $250,000 per day for each day that the violation continues or (b) one percent of the minimum required capital of the insured depository institution per day for each day that the violation continues, up to a maximum of 10% of the minimum capital of the insured depository institution—a fine that could amount to tens of millions of dollars for a large insured depository institution. Such a fine is designed to be large enough to deter even larger insured depository institutions from violating the provisions of this section.

For individuals found to be in violation of the provisions of this section the penalty shall be a fine and/or a prison term. The maximum fine shall be the greater of (a) $250,000 or (b) twice the individual's annual rate of total compensation at the time the violation occurred. The maximum prison sentence shall be one year. In addition, individuals violating the provisions of this section will also be subject to the penalties provided for in Section 1005 of Title 18 for false entries in any book, report or statement to the extent that the violation included such false entries.

A FSHC and its affiliates shall also be subject to the Criminal penalties provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 and the Comprehensive Thrift and Bank Fraud Prosecution and Taxpayer Recovery Act of 1990 to the same extent as a registered bank holding company, savings and loan holding company or any affiliate of such companies.

Subsection (l): Civil Enforcement, Cease-and-Desist Orders, Civil Money Penalties. This subsection provides for civil enforcement, cease-and-desist orders and civil money penalties consistent with subsections (b) and (s) and subsection (u) of Section 8 of the Federal Deposit Insurance Act for FSHCs that violates the provisions of this section in the same manner as they apply to an insured depository institution.

Subsection (m): Civil money Penalties. This subsection grants the AFBA the power to impose and collect civil money penalties after providing the company or person accused of such violation notice and the opportunity to object in writing to its finding.

Subsection (n): Judicial Review. This subsection provides for judicial review of decisions reached by an AFBA under the provisions of this section. This right to review includes a right of judicial review of statutes, rules, regulations, orders and other actions that would discriminate against FSHCs or affiliates controlled by such companies.

Section 102: Amendment to the Bank Holding Company Act of 1956. This section contains a conforming amendment to the definition of the term "bank" in the Bank Holding Company Act to ensure that a FSHC owning an insured depository institution will be regulated under this Act rather than the Bank Holding Company Act.

Section 103: Amendments to the Federal Reserve Act. This section clarifies the application of Section 23A of the Federal Reserve Act to certain loans and extensions of credit to persons who are not affiliated with a member bank. Section 23A contains a provision that was intended to prevent the use of "straw man" intermediaries to evade section 23A's limitations on loans and extensions of credit to affiliates. Contrary to its original purpose, the provision may also be literally read to restrict a bona fide loan or extension of credit to a third party who happens to use the proceeds to purchase goods or services from an affiliate of the insured depository institution; such a loan could occur, for example, if a customer happens to use a credit card issued by an insured depository institution to buy an item sold by the insured depository institution's affiliates. This section clarifies that such loans and extensions of credit are not covered by section 23A as long as (i) the insured depository institution approves them in accordance with substantially the same standards and procedures and on substantially the same terms that it applies to similar loans or extensions of credit that do not involve the payment of the proceeds to an affiliate, and (ii) the loans or extensions of credit are not made for the purpose of evading any requirement of section 23A.

Section 104: Amendments to the Banking Act of 1933.

Subsection (a) Section 20—amends section 20 of the Glass-Steagall Act so that it does not apply to member banks that are controlled by FSHCs.

Subsection (b) Section 32—amends section 32 of the Glass-Steagall Act so that it does not apply to officers, directors and employees of affiliates of a single financial services holding company.

Section 105: Amendment to the Federal Deposit Insurance Act. This section amends the Change in Bank Control Act to provide that an acquisition of a FSHC controlling an insured depository institution may only be accomplished after complying with that Act's procedures. It also modifies the definition of "control" to conform it to the definition in section 101(a)(9) of this Act.

Section 106: Amendment to the Securities Exchange Act of 1934. This section amends the Securities Exchange Act of 1934 to provide for the registration and regulation of Broker Dealers affiliated with a FSHC.

Section 107: Amendment to the Home Owners' Loan Act. This section amends section 11 of the Home Owners' Loan Act in order to apply Section 101(c)(1)(B) of this section to savings associations.

Section 108: Amendment to the Community Reinvestment Act. This section amends the Community Reinvestment Act to make it applicable to acquisitions of insured depository institutions by FSHCs.

Section 106: Amendment to the Securities Exchange Act of 1934. This section amends the Securities Exchange Act of 1934 to provide for the registration and regulation of Broker Dealers.

Section 107: Amendment to the Home Owners' Loan Act. This section amends section 11 of the Home Owners' Loan Act in order to apply Section 101(c)(1)(B) of this section to savings associations.

Section 108: Amendment to the Community Reinvestment Act. This section amends the Community Reinvestment Act to make it applicable to acquisitions of insured depository institutions by FSHCs.

TITLE II—SUPERVISORY IMPROVEMENTS

Section 201: National Financial Services Committee. This section establishes a standing committee, the National Financial Services Oversight Committee (Committee), in order to provide a forum in which federal and state regulators can reach a consensus regarding how the regulation of insured depository institutions should evolve in response to changing market conditions. In addition, the Committee also provides a mechanism through which various federal regulatory agencies could coordinate their responses to a financial crisis, if such a crisis were to occur. The Committee comprises all federal agencies responsible for regulating financial institutions or financial activities, and it is structured to allow state regulators to participate in its deliberations.

The Committee consists of the Chairman of the Secretary of the Treasury, who is also the Chairman of the Committee, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the FDIC, the Director of the Office of Thrift Supervision, the Comptroller of the Currency, the Secretary of Commerce, the Attorney General, the Chairman of the SEC, and the Chairman of the CFTC.

The Committee is directed to report to Congress within one year of enactment of this Act on proposed legislative or regulatory actions that will improve the examination process to permit better oversight of all insured depository institutions. It is also directed to establish uniform principles and standards for examinations.

U.S. SENATE, COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,

Washington, DC, February 2, 1995.

Hon. ROBERT RUBIN,

Secretary, Department of Treasury, Washington, DC.

DEAR MR. SECRETARY: The Treasury Department is conducting a study of the financial services system required by the Interstate Banking and Branching Efficiency Act of 1994 (P.L. 103-328). The Department must submit recommendations to Congress for "changes in statutes, regulations, and policies to improve the operation of the financial service system" by the end of 1995.

I introduced today the "Depository Institution Affiliation Act of 1995" ("DIAA") and urge you to consider it carefully as the Treasury Department conducts its study. The bill and a summary of its major provisions are enclosed.

The DIAA would allow any company—financial or commercial—to become a financial services holding company and be affiliated with an insured depository institution. A company that opts into the alternative regulatory format could engage in an expanded range of activities with and through its depository institution and other affiliates. Non-depository financial and/or commercial activities would be conducted through separately capitalized subsidiaries and regulated along functional lines. This separation of the non-depository institution properly insulates the depository institution from self-dealing and other inappropriate practices and serves to protect the deposit insurance system.

The legislation is a rational legislative response to the need for comprehensive financial services reform. Moreover, the Treasury Department's 1991 study, *Modernizing the Financial System: Recommendations for Safer More Competitive Banks*, essentially endorsed the principles contained in the DIAA.

In formulating Treasury's proposal for financial services restructuring, I urge you to consider and support the DIAA and the creation of financial services holding companies.

Sincerely,

ALFONSE M. D'AMATO,
Chairman.●

By Mr. DASCHLE (for himself, Mr. ROCKEFELLER, Mr. AKAKA, Mr. KERREY, Mr. DORGAN, and Mr. CAMPBELL):

S. 338. A bill to amend title 38, United States Code, to extend the period of eligibility for inpatient care for veterans exposed to toxic substances, radiation, or environmental hazards, to extend the period of eligibility for outpatient care for veterans exposed to such substances or hazards during service in the Persian Gulf, and to expand the eligibility of veterans exposed to toxic substances or radiation for outpatient care; to the Committee on Veterans' Affairs.

THE VETERANS' OUTPATIENT CARE ACT OF 1995

Mr. DASCHLE. Mr. President, today I am introducing legislation that will provide much needed medical care to veterans exposed to agent orange or ionizing radiation, as well as to veterans exposed to toxic substances or environmental hazards during the Persian Gulf war. I am joined in this effort by Senators ROCKEFELLER, AKAKA, KERREY, DORGAN, and CAMPBELL.

Most Americans have heard about the mysterious illnesses afflicting thousands of gulf war veterans. Even though it has been almost 4 years since most of our troops returned home, we are still unable to pinpoint the cause or causes of these illnesses.

Are these illnesses service-connected? I believe so, though we will not be able to answer that question fully until further scientific research is done. Indeed, it is possible that scientists may never be able to discover the true cause(s) of these illnesses.

Does that mean gulf war veterans should wait for medical care until we know for sure that their ailments are service-connected? Certainly not. These men and women put their lives on the line for this Nation, and they deserve quality care from the Department of Veterans Affairs.

Likewise, we must not forget that other veterans continue to suffer from illnesses potentially caused by toxic exposures during their military service. Specifically, I am referring to veterans exposed to the defoliant agent orange during the Vietnam war and to veterans exposed to ionizing radiation either as a result of participation in the military's nuclear testing program or during the occupation of Hiroshima and Nagaski during World War II.

Title 38 of the United States Code currently authorizes the Department of Veterans Affairs to provide hospital and nursing home care to veterans suffering from agent orange, radiation or gulf war exposures. For veterans of the gulf war, outpatient services are also available.

However, this authority is scheduled to expire this year. Without prompt action by Congress, these veterans will become ineligible to receive care at VA facilities for all conditions potentially related to these exposures.

My bill will ensure that these veterans are eligible for VA medical care through December 31, 2003. Although some may argue for a shorter extension, I believe the period must be long enough to ensure that these veterans get the care they deserve.

Let me elaborate. In the 97th Congress, we granted VA the authority to provide care to veterans exposed to agent orange or ionizing radiation. Since that time, Congress has approved short extensions of this authority on four different occasions. For veterans, this has meant great uncertainty about whether they will receive much-needed health care. A longer extension will help alleviate this uncertainty.

Moreover, scientists cannot provide us with quick answers as to why gulf war veterans are sick. And in the meantime, these men and women will continue to suffer. They need to know that a grateful nation will help them through this difficult time.

I should stress that this authority to provide care only applies to medical conditions that are related or may be related to agent orange, ionizing radiation, or gulf war exposures. It does not extend to conditions for which VA doctors have affirmatively identified other causes.

My bill does go one step further than a simple extension of current law. It also ensures that veterans exposed to agent orange and ionizing radiation are eligible for the same range of medical services currently available to gulf war veterans. Specifically, the bill authorizes the VA to provide outpatient care for these veterans—care that could very well save money in the long run by avoiding the need for more costly inpatient care.

Veterans who are ill because of toxic exposures during military service are as deserving of VA medical care as their comrades injured by bullets or landmines. I hope that my colleagues will join me in preserving their access to such care.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF PERIOD OF ELIGIBILITY FOR INPATIENT CARE.

(a) CARE FOR EXPOSURE TO TOXIC SUBSTANCES AND IONIZING RADIATION.—Section 1710(e)(3) of title 38, United States Code, is amended by striking out "June 30, 1995," and inserting in lieu thereof "December 31, 2003,".

(b) CARE FOR EXPOSURE DURING PERSIAN GULF SERVICE.—Such section is further amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 2003".

SEC. 2. EXTENSION AND EXPANSION OF ELIGIBILITY FOR OUTPATIENT CARE.

(a) EXTENSION OF ELIGIBILITY FOR EXPOSURE DURING PERSIAN GULF SERVICE.—Paragraph (1)(D) of section 1712(a) of title 38, United States Code, is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 2003,".

(b) EXPANSION OF ELIGIBILITY TO COVER TOXIC SUBSTANCES AND IONIZING RADIATION.—Such section is further amended—

(1) in paragraph (1)—

(A) by striking out "and" at the end of subparagraph (C);

(B) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(E) during the period before December 31, 2003, for any disability in the case of a veteran who served on active duty in the Republic of Vietnam during the Vietnam era and who the Secretary finds may have been exposed during such service to dioxin or was exposed during such service to a toxic substance found in a herbicide or defoliant used in connection with military purposes during such era, notwithstanding that there is insufficient medical evidence to conclude that the disability may be associated with such exposure; and

"(F) during the period before December 31, 2003, for any disability in the case of a veteran who the Secretary finds was exposed while serving on active duty to ionizing radiation from the detonation of a nuclear device in connection with such veteran's participation in the test of such a device or with the American occupation of Hiroshima and Nagasaki, Japan, during the period beginning on September 11, 1945, and ending on July 1, 1946, notwithstanding that there is insufficient medical evidence to conclude that the disability may be associated with such exposure."; and

(2) in paragraph (7)—

(A) by striking out "under paragraph (1)(D)" and inserting in lieu thereof "under subparagraph (D), (E), or (F) of paragraph (1) of this subsection"; and

(B) by striking out "in that paragraph" and inserting in lieu thereof "in the applicable subparagraph".

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 339. A bill to ensure the provision of appropriate compensation for the real and mining claims taken by the United States as a result of the establishment of the White Sands Missile Range, New Mexico; to the Committee on Armed Services.

THE WHITE SANDS FAIR COMPENSATION ACT OF 1995

• Mr. DOMENICI. Mr. President, on behalf of Senator BINGAMAN and myself, I am offering legislation that will compensate a very special group of Americans: a group of patriots who heard the call to arms in 1941, answered that call, and entered into a good faith effort with our Government. Unfortunately, it was a good faith effort that turned sour. This bill, the White Sands Fair Compensation Act of 1995, is offered in an effort to right some wrong that began over 50 years ago.

On September 1, 1939, a chain of events began to unfold that would affect Americans from coast to coast. I am speaking, of course, of the outbreak of World War II. Americans made concessions to support the war effort and they willingly made extreme sacrifices—sacrifices of time, loved ones, and—for some—their homes and their way of life.

In 1942, President Roosevelt signed an executive order that would temporarily withdraw all public lands and acquire all surrounding private lands in an area of New Mexico that had great potential as a testing area for the army. The land was abundant, sparsely populated, and in the middle of nowhere. For the sake of national security and for the benefit of the Nation, ranchers and miners in this area entered into a temporary agreement to leave their homes and their livelihood. The White Sands Missile Range [WSMR] had gained its first foothold in the State of New Mexico. The ranchers and miners had taken their first step out of their former lives.

At the end of World War II, the Government determined the Nation's security was still at risk and the use of the WSMR area was necessary. Nevertheless, the army relented to allow WSMR ranchers to return to their homes on a shared use basis. Until 1950, the ranchers and the military attempted to work together in sharing the WSMR area. Sharing simply did not work. In 1952, the Government began to formally withdraw all the public lands with the understanding that at some time in the future the lands were to revert back to the Department of the Interior for public use. During this time, the WSMR ranchers were still allowed the use of their private lands, but they could no longer use the surrounding Federal lands that had been integral components of their land holdings. For many, this was the difference between raising cattle and sheep as pets or as food. Furthermore, the military maintained evacuation contracts with the ranchers, directing the ranchers to vacate their private lands during weapons testing.

All these factors added up to financial disaster for the ranchers who, in 1942, believed they were contributing to the war effort. WSMR ranchers couldn't ranch, nor could they sell their land. The WSMR ranches had changed in 10 years from thriving companies producing food and fiber, to crippled businesses waiting to be unloaded on the first prospective buyer.

That prospective buyer came 20 years later. The Government offered to buy the lands from the WSMR ranchers. Those ranchers who agreed received a devalued price for their homes; those who disagreed had their lands condemned and received the same low price.

Mr. President, I would like to put this issue into some historical context. The Congress during the years of Jefferson and Hamilton, was embroiled in a debate surrounding the country's Federal lands and a troublesome national debt. The debt prompted leaders to consider clearing the Nation's debt through the sale of its Federal lands to bring in much needed revenue as well as to encourage the expansion of the western territories. After much deliberation and many successive Congresses, several measures were signed into law that would entice Americans to move west and homestead the land.

Between 1895 and 1920, many of the ranchers began to settle in what would become WSMR. Each rancher paid the Government for the land. These lands had water, grass, and good soil. The Federal Government retained the title to those lands they could not sell. Holding that land, however, did not generate revenue. Therefore, the Government believed it important to enter into a new agreement with the ranchers. This new agreement encouraged the settlers to invest money, time, and effort into the less fertile Federal lands in exchange for increasing the settler

holdings. Another good faith agreement was entered into between the ranchers and the Government.

Through the years this agreement resulted into a valuable arrangement for both the ranchers and the Government. The ranchers use the expanded holdings as collateral, and the Internal Revenue Service taxes these holdings as net worth. The WSMR ranchers' land, both privately and publicly held, had value. The ranchers had invested substantially in both.

Senator BINGAMAN and I are introducing a bill today which will compensate these individuals for their investments. The Whites Sands Fair Compensation Act of 1995 establishes a Commission in the Department of Defense to provide compensation to the individuals who lost their ranches or mining claims to the Government. This Commission will evaluate the history surrounding this issue, evaluate claims submitted by owners who relinquished their property, and will terminate its work after completing action on all claims filed under this act. I ask that a copy of my bill be included in the RECORD at the conclusion of my remarks.

In closing, Mr. President, I would like to urge this Congress to work quickly on this measure. Many WSMR ranchers and miners have died, and many more are elderly. My colleagues in the House of Representatives, Congressman JOE SKEEN, Congressman STEVE SCHIFF, and Congressman BILL RICHARDSON will introduce a companion measure. It is my hope that this Congress will acknowledge what this special group of Americans contributed to winning a war fought so very long ago.•

By Mr. DOLE (for himself, Mr. NICKLES, Mr. BOND, Mrs. HUTCHISON, Mr. MURKOWSKI, Mr. LOTT, Mr. COCHRAN, Mr. HATCH, Mr. DOMENICI, Mrs. KASSEBAUM, Mr. COATS, Mr. ABRAHAM, Mr. INHOFE, Mr. SMITH, Mr. SANTORUM, Mr. THOMPSON, Mr. WARNER, and Mr. KYL):

S. 343. A bill to reform the regulatory process, and for other purposes; to the Committee on the Judiciary.

THE COMPREHENSIVE REGULATORY REFORM ACT OF 1995

Mr. DOLE. Mr. President, I rise to introduce legislation that begins the process of getting the regulatory state under control. This legislation represents a comprehensive effort to inject common sense into a Federal regulatory process that is often too costly, too arcane, and too inflexible.

Last November, the American people sent us a message: Rein in big Government. Stop wasting taxpayers' moneys. Stop passing the buck to State and local governments. Stop micromanaging our lives through burdensome and costly regulations.

We are responding to that message. Our agenda reduces Government—in size and scope—and increases individual freedom. Our agenda will restore the true balance between Government and individual reflected in the 10th amendment, which leaves all powers not given to the Federal Government to the States or to the people.

Our agenda is a package of reforms—and make no mistake about it, we need them all. The first set of reforms focus on making Congress accountable and responsible—cutting spending; stopping unfunded mandates; balancing the budget; and a line-item veto. But, as important, we need to make the agencies that have come to regulate almost every aspect of our lives just as accountable and responsible—we need regulatory reform.

Mr. President, the true scope of regulations in America is staggering: OMB estimates that the private sector spends more than 6.6 billion hours in 1 year complying with regulations; and the costs of regulation on our economy are conservatively estimated at $500 billion.

And it is not merely a matter of too many regulations or whether they make sense. They are often inflexible and unfair. It is very difficult for one person or one business to take on the Government—even if they are right. Sometimes they must, just to survive, and the costs of enforcement are often a dead weight loss to society in terms of lost productivity and innovation.

I know of one small business in Paola, KS, that spent 5 years in a lawsuit with OSHA and finally settled for $6,000. This company typically spends between $7,500 and $10,000 annually for legal and management costs just dealing with OSHA. The regulatory state is out of control.

Mr. President, this legislation will accomplish six major objectives:

First, responsibility. Major regulations—those with $50 million impact on the economy—will go through an analysis that ensures that the benefits outweigh the costs;

Second, sound science. Risk assessments will be based on realistic data and sound science and will be part of the agency decisionmaking process;

Third, accountability. We will put a stop to the practice of expanding Federal power and jurisdiction beyond what a statute provides. We will insist that the public be informed of the true costs and benefits of regulation, and that those affected by regulations be able to enforce these requirements in a court of law;

Fourth, congressional oversight. We ensure Congress' overall responsibility by providing for a 45-day period in which Congress may review major regulations before they take effect;

Fifth, remedying past mistakes. There are undoubtedly many regulations that impose costs that wildly exceed the benefits. We allow for review of existing regulations in order to weed out past mistakes; and

Sixth, small business relief. The costs of regulations often fall disproportionately on those least able to cope—small businesses. We reform the Regulatory Flexibility Act that is already law, by allowing small businesses the ability to enforce its provisions in court.

Mr. President, there are a lot of good ideas out there about regulatory reform. We want to hear them. But we will insist that fundamental reform be enacted this year. The American people deserve nothing less.

I ask unanimous consent that the legislation I introduce today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive Regulatory Reform Act of 1995".

SEC. 2. ANALYSIS OF AGENCY PROPOSALS.

(a) IN GENERAL.—Chapter 6 of title 5, United States Code, is amended by adding at the end the following:

"SUBCHAPTER II—ANALYSIS OF AGENCY PROPOSALS

"§ 621. Definitions

"For purposes of this subchapter and subchapter III of this chapter—

"(1) the term 'agency' has the same meaning as in section 551(1) of this title;

"(2) the term 'person' has the same meaning as in section 551(2) of this title;

"(3) the term 'rule' has the same meaning as in section 551(4) of this title;

"(4)(A) the term 'major rule' means—

"(i) a rule or a group of closely related rules that the agency proposing the rule or the President reasonably determines is likely to have a gross annual effect on the economy of $50,000,000 or more in reasonably quantifiable increased direct and indirect costs, or has a significant impact on a sector of the economy; or

"(ii) a rule or a group of closely related rules that is otherwise designated a major rule by the agency proposing the rule, or by the President on the ground that the rule is likely to result in—

"(I) a substantial increase in costs or prices for wage earners, consumers, individual industries, nonprofit organizations, Federal, State, or local government agencies, or geographic regions; or

"(II) significant adverse effects on competition, employment, investment, productivity, innovation, the environment, public health or safety, or the ability of enterprises whose principal places of business are in the United States to compete in domestic or export markets;

"(B) the term 'major rule' does not include—

"(i) a rule that involves the internal revenue laws of the United States; or

"(ii) a rule that authorizes the introduction into commerce, or recognizes the marketable status, of a product;

"(5) the term 'benefit' means the reasonably identifiable significant benefits, including social and economic benefits, that are

expected to result directly or indirectly from implementation of a rule or an alternative to a rule;

"(6) the term 'cost' means the reasonably identifiable significant costs and adverse effects, including social and economic costs, reduced consumer choice, substitution effects, and impeded technological advancement, that are expected to result directly or indirectly from implementation of, or compliance with, a rule or an alternative to a rule; and

"(7) the term 'market-based mechanism' means a regulatory program that—

"(A) imposes legal accountability for the achievement of an explicit regulatory objective on each regulated person;

"(B) affords maximum flexibility to each regulated person in complying with mandatory regulatory objectives, which flexibility shall, where feasible and appropriate, include, but not be limited to, the opportunity to transfer to, or receive from, other persons, including for cash or other legal consideration, increments of compliance responsibility established by the program; and

"(C) permits regulated persons to respond automatically to changes in general economic conditions and in economic circumstances directly pertinent to the regulatory program without affecting the achievement of the program's explicit regulatory mandates.

"§ 622. Rulemaking cost-benefit analysis

"(a)(1) Prior to publishing notice of a proposed rulemaking for any rule (or, in the case of a notice of a proposed rulemaking that has been published on or before the date of enactment of this subchapter, not later than 30 days after such date of enactment), each agency shall determine whether the rule is or is not a major rule within the meaning of section 621(4)(A)(i) and, if it is not, whether it should be designated a major rule under section 621(4)(A)(ii). For the purpose of any such determination or designation, a group of closely related rules shall be considered as one rule.

"(2) Each notice of proposed rulemaking shall include a succinct statement and explanation of the agency's determination under paragraph (1).

"(b)(1) If an agency has determined that a rule is not a major rule within the meaning of section 621(4)(A)(i) and has not designated the rule a major rule within the meaning of section 621(4)(A)(ii), the President may, as appropriate, determine that the rule is a major rule or designate the rule a major rule not later than 30 days after the publication of the notice of proposed rulemaking for the rule (or, in the case of a notice of proposed rulemaking that has been published on or before the date of enactment of this subchapter, not later than 60 days after such date of enactment).

"(2) Such determination or designation shall be published in the Federal Register, together with a succinct statement of the basis for the determination or designation.

"(c)(1)(A) When the agency publishes a notice of proposed rulemaking for a major rule, the agency shall issue and place in the rulemaking record a draft cost-benefit analysis, and shall include a summary of such analysis in the notice of proposed rulemaking.

"(B)(i) When the President has published a determination or designation that a rule is a major rule after the publication of the notice of proposed rulemaking for the rule, the agency shall promptly issue and place in the rulemaking file a draft cost-benefit analysis for the rule and shall publish in the Federal Register a summary of such analysis.

"(ii) Following the issuance of a draft cost-benefit analysis under clause (i), the agency shall give interested persons an opportunity to comment pursuant to section 553 of this title in the same manner as if the draft cost-benefit analysis had been issued with the notice of proposed rulemaking.

"(2) Each draft cost-benefit analysis shall contain—

"(A) an analysis of the benefit of the proposed rule, and an explanation of how the agency anticipates each benefit will be achieved by the proposed rule;

"(B) an analysis of the costs of the proposed rule, and an explanation of how the agency anticipates each such cost will result from the proposed rule;

"(C) an identification (including an analysis of the costs and benefits) of reasonable alternatives for achieving the identified benefits of the proposed rule, including alternatives that—

"(i) require no Government action;

"(ii) will accommodate differences among geographic regions and among persons with differing levels of resources with which to comply; and

"(iii) employ performance or other market-based standards that permit the greatest flexibility in achieving the identified benefits of the proposed rule and that comply with the requirements of subparagraph (D);

"(D) an assessment of the feasibility of establishing a regulatory program that operates through the application of market-based mechanisms;

"(E) in any case in which the proposed rule is based on one or more scientific evaluations or information or is subject to the risk assessment requirements of subchapter III, a description of actions undertaken by the agency to verify the quality, reliability, and relevance of such scientific evaluations or scientific information in accordance with the risk assessment requirements of subchapter III;

"(F) an assessment of the aggregate effect of the rule on small businesses with fewer than 100 employees, including an assessment of the net employment effect of the rule; and

"(G) an analysis of whether the identified benefits of the proposed rule are likely to exceed the identified costs of the proposed rule, and an analysis of whether the proposed rule will provide greater net benefits to society than any of the alternatives to the proposed rule, including alternatives identified in accordance with subparagraph (C).

"(d)(1) When the agency publishes a final major rule, the agency shall also issue and place in the rulemaking record a final cost-benefit analysis, and shall include a summary of the analysis in the statement of basis and purpose.

"(2) Each final cost-benefit analysis shall contain—

"(A) a description and comparison of the benefits and costs of the rule and of the reasonable alternatives to the rule described in the rulemaking, including the market-based mechanisms identified pursuant to subsection (c)(2)(D); and

"(B) an analysis, based upon the rulemaking record considered as a whole, of—

"(i) whether the benefits of the rule outweigh the costs of the rule; and

"(ii) whether the rule will provide greater net benefits to society than any of the alternatives described in the rulemaking, including the market-based incentives identified pursuant to subsection (c)(2)(D).

"(e)(1)(A) The description of the benefits and costs of a proposed and a final rule required under this section shall include, to the extent feasible, a quantification or numerical estimate of the quantifiable benefits and costs. Such quantification or numerical estimate shall be made in the most appropriate unit of measurement, using comparable assumptions, including time periods, and shall specify the ranges of predictions and shall explain the margins of error involved in the quantification methods and in the estimates used. An agency shall describe the nature and extent of the nonquantifiable benefits and costs of a final rule pursuant to this section in as precise and succinct a manner as possible.

"(B) Where practicable, the description of the benefits and costs of a proposed and final rule required under this section shall describe such benefits and costs on an industry by industry basis.

"(2)(A) In evaluating and comparing costs and benefits and in evaluating the risk assessment information developed pursuant to subchapter III, the agency shall not rely on cost, benefit, or risk assessment information that is not accompanied by data, analysis, or other supporting materials that would enable the agency and other persons interested in the rulemaking to assess the accuracy, reliability, and uncertainty factors applicable to such information.

"(B) The agency evaluations of the relationships of the benefits of a proposed and final rule to its costs shall be clearly articulated in accordance with this section.

"§ 623. Decisional criteria

"(a) No final rule subject to this subchapter shall be promulgated unless the agency finds that—

"(1) the potential benefits to society from the rule outweigh the potential costs of the rule to society, as determined by the analysis required by section 622(d)(2)(B); and

"(2) the rule will provide greater net benefits to society than any of the reasonable alternatives identified pursuant to section 622(c)(2)(C), including the market-based mechanisms identified pursuant to section 622(c)(2)(D).

"(b) The requirements of this section shall supplement the decisional criteria for rulemaking otherwise applicable under the statute granting the rulemaking authority, except when such statute contains explicit textual language prohibiting the consideration of the criteria set forth in this section. Where the agency finds that consideration of the criteria set forth in this section is prohibited by explicit statutory language, the agency shall transmit its finding to Congress, along with the final cost-benefit analysis required by section 622(d)(2)(B).

"§ 624. Judicial review

"(a) Compliance or noncompliance by an agency with the provisions of this subchapter shall be subject to judicial review in accordance with this section.

"(b)(1) Each of the following shall be subject to judicial review:

"(A) A determination by an agency or by the President that a rule is or is not a major rule within the meaning of section 621(4).

"(B) A designation by an agency or by the President of a rule as a major rule.

"(C) A decision by an agency or by the President not to designate a rule a major rule.

"(2) A determination by an agency or by the President that a rule is not a major rule within the meaning of section 621(4), or the decision by an agency or by the President not to designate a rule a major rule, shall be set aside by a reviewing court only upon a showing of clear and convincing evidence

that the determination or decision not to designate is erroneous in light of the information available to the agency at the time the determination or decision not to designate was made.

"(3) An action to review a determination that a rule is not a major rule or to review a decision not to designate shall be filed not later than 30 days after the date of publication of such determination or failure to designate.

"(c) If a court of the United States finds that a rule should have been reviewed pursuant to this subchapter, such rule shall have no force or effect until such time as the requirements of this subchapter are met.

"(d) Each court with jurisdiction to review final agency action under the statute granting the agency authority to conduct the rulemaking shall have jurisdiction to review findings by any agency under this subchapter and shall set aside agency action that fails to satisfy the decisional criteria of section 623. The court shall apply the same standards of judicial review that apply to the review of agency findings under the statute granting the agency authority to conduct the rulemaking.

"§ 625. Petition for cost-benefit analysis

"(a)(1) Any person subject to a major rule may petition the relevant agency or the President to perform a cost-benefit analysis under this subchapter for the major rule, including a major rule in effect on the date of enactment of this subchapter for which a cost-benefit analysis pursuant to such subchapter has not been performed, regardless of whether a cost-benefit analysis was previously performed to meet requirements imposed before the date of enactment of this subchapter.

"(2) The petition shall identify with reasonable specificity the major rule to be reviewed.

"(3) The agency or the President shall grant the petition if the petition shows that there is a reasonable likelihood that the costs of the major rule outweigh the benefits, or that reasonable questions exist as to whether the rule provides greater net benefits to society than any reasonable alternative to the rule that may be more clearly resolved through examination pursuant to this subchapter and subchapter III.

"(4) A decision to grant or deny a petition under this subsection shall be made not later than 180 days after submittal. A decision to deny a petition shall be subject to judicial review immediately upon denial as final agency action under the statute granting the agency authority to conduct the rulemaking.

"(b) For each major rule for which a petition has been granted under subsection (a), the agency shall conduct a cost-benefit analysis in accordance with this subchapter, and shall determine whether the rule satisfies the decisional criteria set forth in section 623. If the rule does not satisfy the decisional criteria, then the agency shall take immediate action to either revoke or amend the rule to conform the rule to the requirements of this subchapter and the decisional criteria under section 623.

"(c) For purposes of this section, the term 'major rule' means any major rule or portion thereof.

"(d)(1) Any person may petition the relevant agency to withdraw, as contrary to this subchapter, any agency guidance or general statement of policy that would be a major rule if the guidance or general statement of policy had been adopted as a rule.

"(2) The petition shall identify with reasonable specificity why the guidance or general statement of policy would be major if adopted as a rule.

"(3) The agency shall grant the petition if the petition shows that there is a reasonable likelihood that the guidance or general statement of policy would be major if adopted as a rule.

"(4) A decision to grant or deny a petition under this subsection shall be made not later than 180 days after the petition is submitted. If the agency fails to act by such date, the petition shall be deemed to have been granted. A decision to deny a petition shall be subject to judicial review immediately upon denial as final agency action under the statute under which the agency has issued the guidance or general statement of policy.

"(e) For each petition granted under subsection (d), the agency shall be prohibited from enforcing against any person the regulatory standards or criteria contained in such guidance or policy unless included in a rule proposed and promulgated in accordance with this subchapter.

"§ 626. Effective date of final regulations

"(a)(1) Beginning on the date of enactment of this section, all deadlines in statutes that require agencies to propose or promulgate any rule subject to this subchapter are suspended until such time as the requirements of this subchapter are satisfied.

"(2) Beginning on the date of enactment of this section, the jurisdiction of any court of the United States to enforce any deadline that would require an agency to propose or promulgate a rule subject to subchapter II of chapter 5 of title 5, United States Code (as added by this section), is suspended until such time as the requirements of this subchapter are satisfied.

"(3) In any case in which the failure to promulgate a rule by a deadline would create an obligation to regulate through individual adjudications, the obligation to conduct individual adjudications shall be suspended to allow the requirements of this subchapter to be satisfied.

"(b)(1) Before a major rule takes effect as a final rule, the agency promulgating such rule shall submit to the Congress a copy of such rule and a report containing a concise general statement relating to the rule, including a complete copy of the cost-benefit analysis, and the proposed effective date of the rule.

"(2) A major rule relating to a report submitted under paragraph (1) shall take effect as a final rule, the latest of—

"(A) the later of the date occurring 45 days after the date on which—

"(i) the Congress receives the report submitted under paragraph (1); or

"(ii) the rule is published in the Federal Register;

"(B) if the Congress passes a joint resolution of disapproval described under subsection (h) relating to the rule, and the President signs a veto of such resolution, the earlier date—

"(i) on which either House of Congress votes and fails to override the veto of the President; or

"(ii) occurring 30 session days after the date on which the Congress received the veto and objections of the President; or

"(C) the date the rule would have otherwise taken effect, if not for this section (unless a joint resolution of disapproval under subsection (h) is enacted).

"(c) A rule shall not take effect as a final rule if the Congress passes a joint resolution of disapproval described under subsection (h).

"(d)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a rule that would not take effect by reason of this section may take effect if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

"(2) Paragraph (1) applies to a determination made by the President by Executive order that the rule should take effect because such rule is—

"(A) necessary because of an imminent threat to health or safety or other emergency;

"(B) necessary for the enforcement of criminal laws; or

"(C) necessary for national security.

"(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under subsection (h) or the effect of a joint resolution of disapproval under this section.

"(4) This subsection and an Executive order issued by the President under this subsection shall not be subject to judicial review by a court of the United States.

"(e)(1) Subsection (h) shall apply to any rule that is published in the Federal Register (as a rule that shall take effect as a final rule) during the period beginning on the date occurring 60 days before the date the Congress adjourns sine die through the date on which the succeeding Congress first convenes.

"(2) For purposes of subsection (h), a rule described under paragraph (1) shall be treated as though such rule were published in the Federal Register (as a rule that shall take effect as a final rule) on the date the succeeding Congress first convenes.

"(3) During the period between the date the Congress adjourns sine die through the date on which the succeeding Congress first convenes, a rule described under paragraph (1) shall take effect as a final rule as otherwise provided by law.

"(f) Any rule that takes effect and later is made of no force or effect by the enactment of a joint resolution under subsection (h) shall be treated as though such rule had never taken effect.

"(g) If the Congress does not enact a joint resolution of disapproval under subsection (h), no court or agency may infer any intent of the Congress from any action or inaction of the Congress with regard to such rule, related statute, or joint resolution of disapproval.

"(h)(1) For purposes of this subsection, the term 'joint resolution' means only a joint resolution introduced after the date on which the report referred to in subsection (b) is received by Congress the matter after the resolving clause of which is as follows: 'That Congress disapproves the rule submitted by the _____ relating to _____, and such rule shall have no force or effect. (The blank spaces being appropriately filled in.)'.

"(2)(A) A resolution described in paragraph (1) shall be referred to the committees in each House of Congress with jurisdiction. Such a resolution shall not be reported before the eighth day after its submission or publication date.

"(B) For purposes of this subsection the term 'submission or publication date' means the later of the date on which—

"(i) the Congress receives the report submitted under subsection (b)(1); or

"(ii) the rule is published in the Federal Register.

"(3) If the committee to which a resolution described in paragraph (1) is referred has not reported such resolution (or an identical resolution) at the end of 20 calendar days after its submission or publication date, such committee may be discharged by the Majority

Leader of the Senate or the Majority Leader of the House of Representatives, as the case may be, from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

"(4)(A) When the committee to which a resolution is referred has reported, or when a committee is discharged (under paragraph (3)) from further consideration of, a resolution described in paragraph (1), it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) shall be waived. The motion shall be highly privileged in the House of Representatives and shall be privileged in the Senate and shall not be debatable. The motion shall not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

"(B) Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall be in order and shall not be debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution shall not be in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to shall not be in order.

"(C) Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

"(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

"(5) If, before the passage by one House of a resolution of that House described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

"(A) The resolution of the other House shall not be referred to a committee.

"(B) With respect to a resolution described in paragraph (1) of the House receiving the resolution—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.

"(6) This subsection is enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"§ 627. Unauthorized rulemakings

"(a) Notwithstanding any other provision of law, beginning on July 1, 1995, any rule that expands Federal power or jurisdiction beyond the level of regulatory action needed to satisfy statutory requirements shall be prohibited.

"(b) Nothing in this section shall be construed to prevent any agency from promulgating a rule that repeals, narrows, or streamlines a rule, regulation, or administrative process, or from issuing or promulgating a rule providing for tax relief or clarification or reducing regulatory burdens.

"§ 628. Standard for review of agency interpretations of an enabling statute

"(a) In reviewing a final agency action under section 706 of this title, or under a statute that provides for review of a final agency action, the reviewing court shall affirm the agency's interpretation of the statute granting authority to promulgate the rule if, applying traditional principles of statutory construction, the reviewing court finds that the interpretation is clearly the interpretation of the statute intended by Congress.

"(b) If the reviewing court, applying traditional principles of statutory construction, finds that an interpretation other than the interpretation applied by the agency is clearly the interpretation of the statute intended by Congress, the reviewing court shall find that the agency's interpretation is erroneous and contrary to law.

"(c)(1) If the reviewing court, applying established principles of statutory construction, finds that the statute gives the agency discretion to choose from among a range of permissible statutory constructions, the reviewing court shall affirm the agency's interpretation where the record on review establishes that—

"(A) the agency has correctly identified the range of permissible statutory constructions;

"(B) the interpretation chosen is one that is within that range; and

"(C) the agency has engaged in reasoned decisionmaking in determining that the interpretation, rather than other permissible constructions of the statute, is the one that maximizes net benefits to society.

"(2) If an agency's interpretation of a statute cannot be affirmed under paragraph (1), the reviewing court shall find that the agency's interpretation is arbitrary and capricious.

"SUBCHAPTER IV—EXECUTIVE OVERSIGHT

"§ 651. Procedures

"The President shall—

"(1) establish procedures for agency compliance with subchapters II and III; and

"(2) monitor, review, and ensure agency implementation of such procedures.

"§ 652. Promulgation and adoption

"(a) Procedures established pursuant to section 651 shall only be implemented after opportunity for public comment. Any such procedures shall be consistent with the prompt completion of rulemaking proceedings.

"(b)(1) If procedures established pursuant to section 651 include review of preliminary or final regulatory analyses to ensure that they comply with subchapters II and III, the time for any such review of a preliminary regulatory analysis shall not exceed 30 days following the receipt of the analysis by the President or by an officer to whom the authority granted under section 651 has been delegated pursuant to section 653.

"(2) The time for review of a final regulatory analysis shall not exceed 30 days following the receipt of the analysis by the President or such officer.

"(3)(A) The times for each such review may be extended for good cause by the President or such officer for an additional 30 days.

"(B) Notice of any such extension, together with a succinct statement of the reasons therefor, shall be inserted in the rulemaking file.

"§ 653. Delegation of authority

"(a) The President may delegate the authority granted by this subchapter to the Vice President or to an officer within the Executive Office of the President whose appointment has been subject to the advice and consent of the Senate.

"(b)(1) Notice of any delegation, or any revocation or modification thereof, shall be published in the Federal Register.

"(2) Any notice with respect to a delegation to the Vice President shall contain a statement by the Vice President that the Vice President will make every reasonable effort to respond to congressional inquiries concerning the exercise of the authority delegated under this section.

"§ 654. Applicability

"The authority granted under this subchapter shall not apply to rules issued by the Nuclear Regulatory Commission.

"§ 655. Judicial review

"The exercise of the authority granted under this subchapter by the President or by an officer to whom such authority has been delegated under section 653 shall not be subject to judicial review in any manner under this chapter.".

(b) JUDICIAL REVIEW OF REGULATORY FLEXIBILITY ANALYSIS.—

(1) AMENDMENT.—Section 611 of title 5, United States Code, is amended to read as follows:

"§ 611. Judicial review

"(a)(1) Except as provided in paragraph (2), not later than 1 year after the effective date of a final rule with respect to which an agency—

"(A) certified, pursuant to section 605(b), that such rule would not have a significant economic impact on a substantial number of small entities; or

"(B) prepared final regulatory flexibility analysis pursuant to section 604,

an affected small entity may petition for the judicial review of such certification or analysis in accordance with this subsection. A court having jurisdiction to review such rule for compliance with section 553 of this title or under any other provision of law shall have jurisdiction to review such certification or analysis.

"(2)(A) Except as provided in subparagraph (B), in the case of a provision of law that requires that an action challenging a final agency regulation be commenced before the expiration of the 1-year period provided in paragraph (1), such lesser period shall apply to a petition for the judicial review under this subsection.

"(B) In a case in which an agency delays the issuance of a final regulatory flexibility analysis pursuant to section 608(b), a petition for judicial review under this subsection shall be filed not later than—

"(i) 1 year; or

"(ii) in a case in which a provision of law requires that an action challenging a final agency regulation be commenced before the expiration of the 1-year period provided in paragraph (1), the number of days specified in such provision of law,

after the date the analysis is made available to the public.

"(3) For purposes of this subsection, the term 'affected small entity' means a small entity that is or will be adversely affected by the final rule.

"(4) Nothing in this subsection shall be construed to affect the authority of any court to stay the effective date of any rule or provision thereof under any other provision of law.

"(5)(A) In a case in which an agency certifies that such rule would not have a significant economic impact on a substantial number of small entities, the court may order the agency to prepare a final regulatory flexibility analysis pursuant to section 604 if the court determines, on the basis of the rulemaking record, that the certification was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(B) In a case in which the agency prepared a final regulatory flexibility analysis, the court may order the agency to take corrective action consistent with section 604 if the court determines, on the basis of the rulemaking record, that the final regulatory flexibility analysis was prepared by the agency without complying with section 604.

"(6) If, by the end of the 90-day period beginning on the date of the order of the court pursuant to paragraph (5) (or such longer period as the court may provide), the agency fails, as appropriate—

"(A) to prepare the analysis required by section 604; or

"(B) to take corrective action consistent with section 604 of this title,

the court may stay the rule or grant such other relief as it deems appropriate.

"(7) In making any determination or granting any relief authorized by this subsection, the court shall take due account of the rule of prejudicial error.

"(b) In an action for the judicial review of a rule, any regulatory flexibility analysis for such rule (including an analysis prepared or corrected pursuant to subsection (a)(5)) shall constitute part of the whole record of agency action in connection with such review.

"(c) Nothing in this section bars judicial review of any other impact statement or similar analysis required by any other law if judicial review of such statement or analysis is otherwise provided by law.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of enactment of this Act, except that the judicial review authorized by section 611(a) of title 5, United States Code (as added by subsection (a)), shall apply only to final agency rules issued after the date of enactment of this Act.

(c) PRESIDENTIAL AUTHORITY.—Nothing in this Act shall limit the exercise by the President of the authority and responsibility that the President otherwise possesses under the Constitution and other laws of the United States with respect to regulatory policies, procedures, and programs of departments, agencies, and offices.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Part I of title 5, United States Code, is amended by striking out the chapter heading and table of sections for chapter 6 and inserting in lieu thereof the following:

99-059 O—97 Vol. 141 (Pt. 3) 16

"CHAPTER 6—THE ANALYSIS OF REGULATORY FUNCTIONS

"SUBCHAPTER I—REGULATORY ANALYSIS

"Sec.
"601. Definitions.
"602. Regulatory agenda.
"603. Initial regulatory flexibility analysis.
"604. Final regulatory flexibility analysis.
"605. Avoidance of duplicative or unnecessary analyses.
"606. Effect on other law.
"607. Preparation of analyses.
"608. Procedure for waiver or delay of completion.
"609. Procedures for gathering comments.
"610. Periodic review of rules.
"611. Judicial review.
"612. Reports and intervention rights.

"SUBCHAPTER II—ANALYSIS OF AGENCY PROPOSALS

"621. Definitions.
"622. Rulemaking cost-benefit analysis.
"623. Decisional criteria.
"624. Judicial review.
"625. Petition for cost-benefit analysis.
"626. Effective date of final regulations.
"627. Unauthorized rulemakings.
"628. Standard for review of agency interpretations of an enabling statute.

"SUBCHAPTER III—RISK ASSESSMENTS

"631. Definitions.
"632. Applicability.
"633. Rule of construction.
"634. Requirement to prepare risk assessments.
"635. Principles for risk assessment.
"636. Principles for risk characterization and communication.
"637. Regulations; plan for assessing new information.
"638. Decisional criteria.
"639. Regulatory priorities.
"640. Establishment of program.

"SUBCHAPTER IV—EXECUTIVE OVERSIGHT

"651. Procedures.
"652. Promulgation and adoption.
"653. Delegation of authority.
"654. Applicability.
"655. Judicial review.".

(2) Chapter 6 of title 5, United States Code, is amended by inserting immediately before section 601, the following subchapter heading:

"SUBCHAPTER I—REGULATORY ANALYSIS".

By Mr. DOMENICI (for himself and Mr. INOUYE):

S. 346. A bill to establish in the Department of the Interior the Office of Indian Women and Families, and for other purposes; to the Committee on Indian Affairs.

THE OFFICE OF WOMEN AND FAMILIES IN THE BUREAU OF INDIAN AFFAIRS ACT OF 1995

• Mr. DOMENICI. Mr. President, today I am pleased to be joined by the vice chairman of the Senate Committee on Indian Affairs, Senator DANIEL K. INOUYE, in introducing a bill to create the Office of Women and Families in the Bureau of Indian Affairs [BIA], U.S. Department of Interior. I am grateful for Senator INOUYE's support of this legislation. We hope to improve Federal Government attention and services for Indian women and their families, with a special emphasis on the economic well-being of Indian women and families including employment and business opportunities. This new office will be responsible for addressing the special needs of Indian women and families within the cultural context of each tribe or village. Existing and new Federal policies for the benefit of Indian people will be better focused on Indian women who are too often ignored by policy makers and agency programs.

I am also pleased to report that this legislation has now been endorsed by the Eight Northern Indian Pueblos of New Mexico and the Judiciary Committee of the Navajo Nation Council.

The Office of Women and Families in the BIA will be responsible for integrating the needed policy and program changes in the BIA programs and coordinating with other Federal agencies and tribal governments to improve the living conditions of Indian women and their families.

I would like to quote from a letter I received in support of this concept from Dr. Carolyn M. Elgin, president of the Southwestern Indian Polytechnic Institute and Federal Women's Program Manager for the BIA's Albuquerque area. Dr. Elgin says,

Throughout the National Indian Community, the diverse and specialized needs of Indian women and Indian families need to be comprehensively addressed (congressional attention, budget appropriations, program development and policy consideration within the Bureau). Again, I applaud your sensitivity and fully support your legislative efforts on behalf of Indian women and families.

Mr. President, the Federal Government spends over hundreds of millions of dollars per year for Indian programs in several key departments including Interior, Health and Human Services, Labor, Education, Housing and Urban Development, Transportation, Commerce, and other agencies like the Small Business Administration.

While the BIA is the theoretical center of our country's efforts to improve the daily lives of 2,000,000 American Indians—about half of whom reside on federally recognized Indian reservations, many other Federal departments or agencies have some involvement with Indians. There is, however, very little coordination among these Federal agencies who serve the same target population.

While this bill will establish the new office in the BIA, its thrust will include all major programs affecting Indian women and families. Before I explain more about these programs, I would like to focus on the need to pay special attention to Indian women and families.

In brief, Indians are the poorest of the poor. Elsie Zion of the Women Studies Program at the University of New Mexico describes it this way: "Indian women are the poorest of the

poorest group. While American women come up against a 'glass ceiling,' Indian women have problems getting off the floor." In this case, she means that too many Indian women have a "hard time getting jobs outside the fields of cleaning, cooking, or clerking."

Regarding Indian family members, some of the highest youth suicide rates in America occur on Indian reservations. I know this is true for the Jicarilla Apache Tribe and the Navajo Nation. Many Pueblo Indians also have disproportionately high suicide rates. Substance abuse is a severe problem among young Indians.

By examining program and policy failures, it is our hope that new methods can be tried to inspire, educate, and employ more young Indian people. We want to keep them away from the dangers of drugs, alcohol, and other self-destructive behaviors. An Office of Women and Families can certainly go far in helping to identify weaknesses in the fabric of Federal programs intended to improve the quality of life on Indian reservations.

The Office of Women and Families is not simply another BIA program. It is built in, permanent policy mechanism to shape programs and enhance the potential for direct benefits to Indian women and families within existing and new programs of the BIA and the Federal Government as a whole.

This new policy program should focus on Federal Government policies relating to such concerns as job opportunities for Indian women and Indian youth suicide. The Office could also focus on such related employment issues as trade between Indian reservations and Japan or Europe. The idea is to identify those problem areas that require new policy attention, better programmatic effort, or enhanced coordination with other Federal programs like the Minority Business Development Administration of the Department of Commerce and small business development programs of the Small Business Administration.

We are also very concerned that basic BIA programs be better targeted to reach Indian women. Indian women-owned businesses, for example, can be encouraged more often through start-up grants and guaranteed loans. BIA social service, drug and alcohol abuse prevention, and child protection programs can be enhanced and improved.

INVISIBLE WOMEN

Due mainly to their strong cultural traditions, it is often difficult to determine the impact of these Federal efforts on the living standards of Indian women and their families. Indian women remain an enigma to most of us. In Santa Fe, NM, we can see the famous scenes of Indian women at the Palace of the Governor selling their famous pots and jewelry. At Pueblo feast days and public dances we are impressed by their elaborate dress and serene dancing styles. These women clearly have a strong presence and influence in the daily lives of New Mexico Pueblo, Navajo, and Apache tribes of New Mexico.

Yet, there remains the fact that we have a difficult time identifying many of the indicators of social well-being for Indian women precisely because the contributions of Indian women remain undervalued and overlooked in the policies and programs of the Bureau of Indian Affairs and other Federal agencies with programs designed to help all Indian people.

As the National Advisory Council on Women's Educational Program once observed:

> To date there has been no specific Federal recognition of the special educational and training needs of Indian women and girls. As a result, Indian women are often relegated to position which do not reflect their capacity and potential contribution not only to tribal governments but to the general society.

Elsie Zion of the Women Studies Program at the University of New Mexico, who I quoted above, has searched for statistics to back her observations. Indians, she concludes, "fall at the very bottom of indicators of status and well-being."

Elsie is skeptical that the "Great White Father"—in the form of the BIA—will actually help Indian women. That is one reason this office is designed to reach out into the reservations themselves to encourage female participation in the forming and implementation of BIA policy and programs.

Wherever key Federal policies exist that directly impact on the social conditions of Indian women, the BIA Office of Women and Families can have a policy impact, and hence a direct impact on the lives of Indian women and families who could be or should be participating.

INDIAN CHILDREN AND YOUTH IN DISTRESS

The Indian Child Welfare Act (P.L. 95-608) and the Indian Child Protection Act (P.L. 101-630) are two good recent examples of congressional attempts to improve conditions for young Indians. The Child Welfare Act creates a grant system to tribes for child and family service programs to prevent the breakup of Indian families and provide for the protection of Indian children. The Child Protection Act is designed to protect Indian children from family violence or abuse by bureau or tribal contract employees. Background checks, a reporting system, and other child protective services are mandated by the act.

The Director and the Policy Task Force of the proposed Office of Women and Families could help refine the reporting systems to assure solid measurement of progress made to minimize abuse or violence to Indian children and youth. If the proposed system is found to be adequate, the results will certainly help in the annual reports to the Congress on the well-being of Indian families as measured by the increased safety factors required by these acts.

Other problems of young Indians can also be identified and reported. Substance abuse, alcoholism, school dropout rates or teenage pregnancy are examples of additional indicators to be monitored by the new Office of Women and Families. Summer youth employment and vocational education potential are examples of other Department of Labor and BIA programs available to young Indians to enhance their potential and minimize problems like substance abuse and school dropouts.

BACKGROUND ON FEDERAL PROGRAMS FOR AMERICAN INDIANS

Mr. President, the Federal Government has wide-ranging policies and programs intended to improve the living conditions on some 250 Indian reservations and about 300 Native Alaskan villages. These programs include education, health care, business development, housing, job training, tribal government, transportation, law enforcement, and social services. Several Federal departments and agencies are primarily involved in the delivery of services to Native Americans—Interior, Health and Human Services, Housing and Urban Development, Labor, and Education.

The two major providers of services to Native Americans are the Indian Health Service of the Public Health Service in the Department of Health and Human Services [HHS] and the Bureau of Indian Affairs [BIA] in the Department of Interior. The IHS had a budget of $2.0 billion in fiscal year 1993; the BIA's budget was $1.5 billion for the same fiscal year.

Public housing for Indians in the HUD budget was about $257 million in fiscal year 1993; Labor committed $84.6 million for job training and summer jobs; HUD's Community Development Program for Indians totaled $65.4 million; and construction of Indian reservation roads was about $190 million.

Clearly, there are many Federal Government programs that have direct impact on the daily lives of about 1.959 million Indian people in America—up from 1.42 million in 1980. About half of them live on Indian reservations.

There is also no doubt that Indians lag seriously behind other ethnic groups in several key areas. Overall, they have lower household incomes, higher unemployment and less schooling than the rest of the United States.

Indian birth rates—28.8 per 1,000 population—are almost twice that of the country as a whole—15.9 per 1,000. Prenatal care accompanying live births are lower than the United States as a whole—56.5 percent to 74.2 percent. More Indians die from accidents, alcoholism, diabetes, homicide, and tuberculosis than others in the country as a whole.

Fortunately, the Congress passed and the President signed a bill, the Indian Health Care Improvements Act of 1992, to improve the health programs and policies of the Indian Health Service [IHS], Public Health Service, U.S. Department of Health and Human Services. This act includes my amendment establishing an Office of Indian Women's Health in the IHS.

This new IHS office will certainly enhance and focus the good efforts of the IHS to identify and collect data about the health status of American Indian Women. While there is clearly room for improvement, the IHS is at least aware of the gaps in health care between Indian women and American women as a whole.

Obviously, Mr. President, the policies and programs of the U.S. Government have a greater impact on American Indians than most people realize. Hundreds of treaties and a large body of law define our special government-to-government relationship with Indian tribes. Their special trust status with our Government also plays á critical role in defining the responsibility of the U.S. Government to American Indians and Alaska Natives.

EDUCATION AND EMPLOYMENT

Educational attainment is a key indicator of well-being in America. For American Indian women there is a large lag in high school graduates compared to the population in general. The high school graduation rate for Indian females is about 65.3 percent compared to 74.8 percent for all American women. For college graduates the gap widens considerably. Only 8.6 percent of Indian women graduate from college compared to 17.6 percent for all American women.

Unfortunately employment statistics are hard to get for Indians, and the figures vary greatly. The BIA has often affirmed unemployment rates of 30 percent to 60 percent on many reservations. New Mexico Pueblos often have unemployment rates in the 40 percent to 50 percent range. This data is not readily available by sex. As a key indicator of general well-being, I hope the Office of Women and Families will be able to influence the collection of data regarding employment and unemployment among Indian women and teenagers.

From the 1990 Census we have some encouraging data about Indian-owned businesses in New Mexico. The latest information from the 1990 Census reflects 1987 data. These data show that almost 800 Indian men and almost 500 Indian women own their own businesses. I would like to see this new office encourage more direct assistance to Indian women who are eligible for many BIA and Small Business Administration programs.

OFFICE OF INDIAN WOMEN AND CHILDREN

It seems to me, Mr. President, that the Indian women of this country are in a particularly valuable position to offer good advice to our Government about ways to conduct policies and programs that are intended to improve conditions that affect these women and their families. This new office clearly fits within the electorate's demand that our Government carry out its responsibilities with greater efficiency and with clearer purposes.

No one has yet called our national Indian policies a success. It is time to expand our efforts to reach out, in culturally appropriate ways, to solicit their thoughts about improving Federal programs so that a real difference is made in daily reservation life.

In similar ways, young Indians can be included in designing and improving current programs to increase their effectiveness. The American Indian family is a vital structure to strengthen and preserve and we seek to enhance our national policies for their well-being.

Initially, a temporary policy task force would be established to develop a policy paper to articulate a clear set of goals, objectives, management strategies, and monitoring systems for the improvement of key quality of life indicators for Indian women and families like the ones I have mentioned. There are, of course, many other areas of concern to be identified by the new Office and its related policy task force.

Once articulated, these indicators could tell us about the degree to which Indian women and their families are participating in economic development and benefiting from new job opportunities on Indian reservations. Policymakers and program managers would have better data on educational achievement and needs of Indian children and youth. Health statistics—from the Office of Women's Health at the Indian Health Service—could, for example, tell us how serious alcoholism is among Indian women and what program improvements are needed to enhance treatment.

A Director of the Office of Women and Families would be responsible for integrating the needed changes in the BIA programs and coordinating with other Federal agencies to meet the policy goals and objectives established by the policy task force.

This new office and its related policy mechanisms will have the flexibility to look into such areas as education, health, employment, economic development, housing, social, and other services of the BIA and other relevant Federal programs serving Indian women and families. By focusing on Indian women and families, the work of the BIA and other relevant Federal programs will be enhanced by their participation in the design and improvement of ongoing programs for Indian beneficiaries.

As we prepare to strengthen our democracy and our economy for the 21st century, we must not overlook any potential for a greater America. There is a growing awareness of the need to pay close attention to the inter-relationships between our national strength and the well-being of all women. Key factors are health, education, employment, housing, child care, business potential, and culture.

There is no doubt that Indian women have long been essential to the well-being of Indian people and their families. As we strive to attain new levels of education, health, business involvement, employment, and housing quality for American Indians, we clearly need the ongoing participation and direct involvement of Indian women.

I believe the strong family ties and responsibilities of Indian women can be enhanced by more attention to specific policies and programs now designed generally for American Indians without any special regard for the differing cultural roles and responsibilities of Indian women.

I ask unanimous consent that the Office of Indian Women and Families Act of 1995, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 346

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Office of Indian Women and Families Act of 1995".

SEC. 2. FINDINGS.

Congress finds that:

(1) The primary responsibilities of the Bureau of Indian Affairs are to encourage and assist Indian people to manage their own affairs under the trust relationship between Indians and the Federal Government, and to facilitate, with maximum involvement of Indian people, full development of their human and natural resource potential.

(2) The Bureau of Indian Affairs coordinates its activities with Indian tribal governments, Federal agencies and departments, and other organizations and groups who share similar interests and programs related to Indians.

(3) Bureau of Indian Affairs policies, programs and projects impact directly and significantly on the lives of America's Indian people.

(4) The unique roles and responsibilities of Indian women contribute culturally, socially, and economically to the well-being of Indian people, but these contributions are often not fully realized and are undervalued and overlooked within the policies, program, and projects of the Bureau of Indian Affairs.

(5) Indian children have special educational and social service needs to prepare them for traditional tribal responsibilities and nontribal social and employment opportunities.

(6) The particular responsibilities, contributions, and needs of Indian women and families can and should be taken into account to improve Bureau of Indian Affairs policy formulation and program operations for the direct benefit of Indian women and families and Indian people as a whole.

(7) Bureau of Indian Affairs policies, programs and projects, including its coordination and liaison with other Federal, State,

and local entities, can be more responsive and enhanced when Indian women and families are considered an integral element of the process as well as contributors to the success of these policies, programs, and projects.

(8) There is a need for an Office of Indian Women and Families in the Bureau of Indian Affairs for the purpose of encouraging and promoting the participation and integration of Indian women and families into Bureau of Indian Affairs policies, programs, projects, and activities, thereby improving the effectiveness of its mandate and the status and lives of Indian women and families.

SEC. 3. PURPOSES.

The purposes of this Act are:

(1) To identify and integrate the issues related to Indian women and families into all Bureau of Indian Affairs policies, programs, projects, and activities. There will be a special emphasis on the economic well-being of Indian women and families including employment and business opportunities.

(2) To establish an office to serve as a focal point for all Federal Government policy issues affecting Indian women and families for purposes of both economic and social development.

(3) To collect data related to the specific roles, concerns, and needs of Indian women, and Indian families, and use such data to support policy, program, and project implementation throughout all offices of the Bureau of Indian Affairs and other Federal agencies, and to monitor the impacts of these policies, programs and projects.

(4) To enhance the economic and social participation of Indian women and families in all levels of planning, decisionmaking, and policy development within the Bureau of Indian Affairs, its area offices, and tribal governments and reservations.

(5) To conduct research and collect relevant studies relating to special needs of Indian women and families.

(6) To develop pilot programs and projects to strengthen activities of the Bureau of Indian Affairs involving Indian women and families, and serve as models for future endeavors and planning.

(7) To ensure a liaison with other Federal departments and agencies, State and local governments, tribally controlled community colleges, other academic institutions, any public or private organizations, and tribal governments that serve Indian peoples.

(8) To ensure training endeavors for Bureau of Indian Affairs offices and agencies at the national, area, and local levels to ensure Bureau personnel and any other beneficiaries of Bureau and other governmental programs understand the purposes and policies of the office established by this Act.

(9) To develop policy-level programs, with the assistance of the Assistant Secretary and other senior-level personnel of the Bureau of Indian Affairs, to ensure that systems, directives, management strategies and other related methodologies are implemented to meet the purposes of this Act.

(10) To strengthen the role of Indian women and families by developing and ensuring culturally appropriate policies and programs.

(11) To encourage other actions that serve to more fully integrate Indian women and families as participants in and agents for change in the Federal policy and program activities of the Bureau of Indian Affairs.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) The term "Indian woman" means a woman who is a member of an Indian tribe.

(2) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688), which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians.

SEC. 5. ESTABLISHMENT OF OFFICE OF INDIAN WOMEN AND INDIAN FAMILIES.

(A) ESTABLISHMENT.—There is established in the Department of the Interior the "Office of Indian Women and Families" (hereinafter referred to as the "Office").

(b) DIRECTOR.—The Office shall be under the management of a director (hereinafter referred to as the "Director"), who shall be appointed by the Assistant Secretary of Indian Affairs. The Director shall report directly to the Assistant Secretary of Indian Affairs.

(c) COMPENSATION.—The Director shall be compensated at the rate prescribed for level IV of the Executive Schedule under section 5313 of title 5, United States Code.

(d) TENURE.—The Director shall serve at the discretion of the Assistant Secretary of Indian Affairs.

(e) VACANCY.—A vacancy in the position of Director shall be filled in the same manner as the original appointment was made.

(f) DUTIES.—The Director shall administer the Office and carry out the purposes and functions of this Act. The Director shall take such action as may be necessary in order to integrate Indian women and family issues into the Bureau of Indian Affairs policies, programs, projects and activities.

SEC. 6. FUNCTIONS OF OFFICE.

It shall be the function of the Office to develop a Policy Paper for Indian women and families to articulate the objectives of the Office, to serve as a guideline for systematically integrating Indian women and families issues into the Bureau of Indian Affairs policies, programs, projects, and activities, and to establish and detail indicators and benchmarks for measuring the success of the Office.

SEC. 7. POLICY TASK FORCE.

(a) ESTABLISHMENT OF A POLICY TASK FORCE.—The Director, in consultation with the Assistant Secretary of Indian Affairs, shall establish a temporary policy task force on Indian women and families.

(b) MEMBERSHIP.—Members of the task force shall be appointed by the Director. The task force shall include representatives from Federal agencies and departments, relevant Indian organizations, State agencies and organizations, Indian tribal governments, institutions of higher education, and nongovernmental and private sector organizations and institutions.

(c) FUNCTIONS.—The policy task force shall:

(1) Ensure that the Policy Paper for Indian women and families prepared by the Bureau of Indian Affairs articulates a set of goals, objectives, management strategies, and monitoring systems for the improvement of all Federal programs, including programs of the Bureau of Indian Affairs, designed to improve the quality of life of Indian women and families.

(2) Recommend a permanent policy mechanism to be established in the Bureau of Indian Affairs for the continuous monitoring and refinement of policy and programs designed to improve the quality of life of Indian women and families.

(3) Recommend a permanent policy mechanism to be established in the Bureau of Indian Affairs for the purpose of collecting and disseminating to Congress and the public information and other data relevant to the progress of the policy and programs designed to improve the quality of life of Indian women and families.

(d) TERMINATION.—The task force shall terminate upon the expiration of 14 months following the date of the enactment of this Act.

SEC. 8. ASSISTANT SECRETARY OF INDIAN AFFAIRS.

The Assistant Secretary of Indian Affairs shall:

(1) Ensure that the Office receives adequate resources to carry out the purposes of this Act.

(2) Ensure that senior-level staff members and other employees of the Bureau of Indian Affairs are participants in and responsible for assisting in carrying out the purposes of this Act relating to the improvement of policies and programs of the Bureau of Indian Affairs.

SEC. 9. REPORTING.

The Secretary of the Interior, acting through the Bureau of Indian Affairs, shall, on or before March 15 of each of the 2 calendar years next following the calendar year in which this Act is enacted, and biennially thereafter, report to Congress on the progress of achieving the purposes of this Act. Such report shall include, but not be limited to, information relative to the current status of progress of the Bureau of Indian Affairs' policy on Indian women and Indian families in fulfilling its objectives, programs and projects, including how well the Bureau of Indian Affairs has operationally integrated the issue of Indian women and families into its overall policies, programs, projects and activities. Such report shall include a review of data gathered to assess and improve the quality of life of Indian women and families, including specific recommendations to improve the education, health, employment, economic, housing, social, and other services within the Bureau of Indian Affairs relating to Indian women and families.

SEC. 10. AUTHORIZATIONS.

Commencing with fiscal year 1994, and each fiscal year thereafter, there are authorized to be appropriated for carrying out the provisions of this Act, $2,000,000.●

By Ms. SNOWE (for herself and Mr. BROWN):

S. 347. A bill to amend the Immigration and Nationality Act to make membership in a terrorist organization a basis of exclusion from the United States; to the Committee on the Judiciary.

THE TERRORIST EXCLUSION ACT OF 1995

● Ms. SNOWE. Mr. President, today I am reintroducing legislation I originally drafted and introduced in the last Congress as a Member of the other body. This legislation would deny U.S. visas to known members of terrorist organizations.

Under current law, a visa can be denied to a known member of a terrorist organization only if the United States has compelling evidence that the individual was personally involved in a past terrorist act or if it is known that the person is coming to the United States to conduct such an act. Current law requires extraordinary steps to override the presumption that mere membership in a terrorist group is not

grounds for denying a visa. High-level determination is required by the Secretary of State that permitting entry of the individual will be damaging to American foreign policy interests. My legislation will reverse that presumption. Under this bill, a known member of a group that conducts acts of terrorism will be excluded from the United States unless the Secretary of State determines on an individual basis that granting the visa would advance U.S. foreign policy interests.

I discovered this dangerous loophole in our immigration laws last Congress during my investigation of the State Department failures that allowed the radical Egyptian cleric, Sheikh Omar Abdel Rahman, to travel to and reside in the United States since 1990. Sheikh Rahman is the spiritual leader of Egypt's terrorist organization, the Islamic Group. His followers have been convicted for the 1993 bombing of the World Trade Center in New York, and the Sheikh himself is now on trial for his alleged role in planning and approving a second wave of terrorist acts in the New York City area.

Last year, I also found out through the investigation of the senior Senator from Colorado [Mr. BROWN] that the State Department has in the past used this legal loophole to grant a visa to Tunisia's Sheikh Rashid el-Ghanoushi, the convicted leader of the Islamic fundamentalist terrorist organization Ennadha. At this very moment, the State Department is still considering a visa request by Sheikh Ghanoushi. A letter I received from the State Department on this matter confirmed that they interpret current law to require them to issue a visa to Ghanoushi—an acknowledged member of a terrorist organization—unless they can prove that he personally was involved in a terrorist act. Apparently his conviction in Tunisia for his part in an assassination plot against Tunisia's pro-Western President Ben Ali is not enough. Nor is the fact that he fled his country after his underground Islamic fundamentalist terrorist group launched violent attacks against the Government. Nor, apparently, do his virulently anti-Western and anti-Israeli statements have any relevance to the visa decisions, as far as the State Department is concerned.

Mr. President, after the recent rash of terrorist bombings in Israel, Argentina, Panama, and Britain, many countries are waking up to their vulnerability to terrorists. As reported in the July 28, 1994 Christian Science Monitor, the British Parliament is considering enacting legislation similar to this bill. Furthermore, this fall, the Anti-Defamation League—an organization whose very purpose is to protect the civil and religious liberties of all Americans—also included my bill in their proposed legislative package on terrorism.

It is well known that many foreign terrorist organizations depend on money raised in the United States for a major portion of their funding. There are also disturbing indications that many of these organizations are working to develop networks of members and supporters in our own country. Last week, the administration took the useful step of freezing the U.S. assets of certain terrorist organizations working against the peace process in the Middle East. But this action needs to be strengthened by also slamming the door on members of terrorist organizations who continue to travel freely to and within our country unfettered by our visa laws.

Mr. President, I am confident that in the Senate this matter will receive the kind of fair treatment here that it deserves. I also note and welcome recent statements by the administration claiming that it too is now taking the terrorism issue seriously. After finding no need for my legislation last Congress, on January 20, 1995, the Secretary of State gave a speech at Harvard University in which he announced that the administration was going to strengthen its efforts against international terrorism. He specifically stated, "we will toughen standards for obtaining visas for international criminals to gain entry to this country." I hope this means that the administration is finally willing to support legislation needed to accomplish this goal.

The urgency of passing the Terrorist Exclusion Act comes from the sad truth that every day American lives continue to be put at risk out of deference to some imagined first amendment rights of foreign terrorists. This is an extreme misinterpretation of our cherished Bill of Rights, which the founders of our great Nation intended to protect the liberties of all Americans. In my reading of the U.S. Constitution I see much about the protection of the safety and welfare of Americans, but nothing about protecting the rights of foreign terrorists to travel freely to the United States whenever they choose.

Mr. President, I hope that this issue will be addressed swiftly by the 104th Congress. I hope that we do not put off its consideration yet again, only to have the issue suddenly reappear in reaction to what might have been an avoidable loss of American lives.●

By Mr. NICKLES (for himself, Mr. DOLE, Mr. BOND, Mrs. HUTCHISON, Mr. MCCONNELL, and Mr. LOTT):

S. 348. A bill to provide for a review by the Congress of rules promulgated by agencies, and for other purposes; to the Committee on Governmental Affairs.

THE REGULATORY OVERSIGHT ACT

● Mr. NICKLES. Mr. President, I am introducing legislation to provide for a 45-day layover of Federal regulations to permit Congress to review and, potentially, reject regulations before they become final.

The Regulatory Oversight Act will improve the opportunity for Congress to ensure Federal agencies are properly carrying out congressional intent. All too often agencies issue regulations which go beyond the sense of reason.

This act provides a 45-day period following publication of a final rule before that rule may become effective. This 45-day period will provide Congress with an opportunity to review the rule and enact, if it so chooses, a joint resolution of disapproval on a fast-track basis.

Significant final rules, which the act defines as final rules that increase compliance costs on State, local, and tribal governments and the private sector of at least $100 million in any year may not take effect until at least 45 days after the rule is published. This is the same threshold in the unfunded mandates bill. Under current law, most rules already are delayed by 30 days pending the filing of an appeal. The delay of 45 days is provided in this act to avoid economic uncertainties and harm from these very large and burdensome rules during the congressional review period.

Final regulations addressing threats to imminent health or safety, or other emergencies, criminal law enforcement, or matters of national security, could be exempted by Executive order from the postponement of the effective date provided in the bill. However, a joint resolution of disapproval would still be eligible for fast-track consideration.

Although a joint resolution may be introduced by any Member of Congress, the fast-track process for floor consideration of the joint resolution of disapproval is only available under two conditions: First, if the authorizing committee reports out the resolution; or second, if the majority leader of either House of Congress discharges the committee. The joint resolution, if passed by both Houses, would be subject to a Presidential veto and, in turn, a possible veto override.

In reality, perhaps only a few regulations will be rejected by this process. But by providing a mechanism to hold Federal agencies accountable before it is too late, the Regulatory Oversight Act makes an important contribution to the critical regulatory reform effort.

At this time I would like to ask unanimous consent that a detailed summary and the text of the Regulatory Oversight Act to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL REVIEW OF RULES.

(a) SHORT TITLE.—This Act may be cited as the "Regulatory Oversight Act of 1995".

(b) IN GENERAL.—Chapter 5 of title 5, United States Code, is amended by inserting after section 553 the following new section:

"§ 553a. Congressional review of rules

"(a) For purposes of this section the term 'significant rule' means any rule that may have an annual effect on the economy of $100,000,000 or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities.

"(b)(1) Before a rule takes effect as a final rule, the agency promulgating such rule shall submit to the Congress a report containing—

"(A) a copy of the rule;

"(B) a concise general statement relating to the rule;

"(C) the proposed effective date of the rule; and

"(D) a complete copy of the cost benefit analysis of the rule, if any.

"(2) A significant rule relating to a report submitted under paragraph (1) shall take effect as a final rule, the latest of—

"(A) the later of the date occurring 45 days after the date on which—

"(i) the Congress receives the report submitted under paragraph (1); or

"(ii) the rule is published in the Federal Register;

"(B) if the Congress passes a joint resolution of disapproval described under subsection (h) relating to the rule, and the President signs a veto of such resolution, the earlier date—

"(i) on which either House of Congress votes and fails to override the veto of the President; or

"(ii) occurring 30 session days after the date on which the Congress received the veto and objections of the President; or

"(C) the date the rule would have otherwise taken effect, if not for this section (unless a joint resolution of disapproval under subsection (h) is enacted).

"(3) Except for a significant rule, a rule shall take effect as otherwise provided by law after submission to Congress under paragraph (1).

"(c) A rule shall not take effect as a final rule, if the Congress passes a joint resolution of disapproval described under subsection (h).

"(d)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a rule that would not take effect by reason of this section may take effect, if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

"(2) Paragraph (1) applies to a determination made by the President by Executive order that the rule should take effect because such rule is—

"(A) necessary because of an imminent threat to health or safety or other emergency;

"(B) necessary for the enforcement of criminal laws; or

"(C) necessary for national security.

"(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under subsection (h) or the effect of a joint resolution of disapproval under this section.

"(4) This subsection and an Executive order issued by the President under this subsection shall not be subject to judicial review by a court of the United States.

"(e)(1) The provisions of subsection (h) shall apply to any rule that is published in the Federal Register (as a rule that shall take effect as a final rule) during the period beginning on the date occurring 60 days before the date the Congress adjourns sine die through the date on which the succeeding Congress first convenes.

"(2) For purposes of subsection (h), a rule described under paragraph (1) shall be treated as though such rule were published in the Federal Register (as a rule that shall take effect as a final rule) on the date the succeeding Congress first convenes.

"(3) During the period beginning on the date the Congress adjourns sine die through the date on which the succeeding Congress first convenes, a rule described under paragraph (1) shall take effect as a final rule as otherwise provided by law.

"(f) Any rule that takes effect and later is made of no force or effect by the enactment of a joint resolution under subsection (h) shall be treated as though such rule had never taken effect.

"(g) If the Congress does not enact a joint resolution of disapproval under subsection (h), no court or agency may infer any intent of the Congress from any action or inaction of the Congress with regard to such rule, related statute, or joint resolution of disapproval.

"(h)(1) For purposes of this subsection, the term 'joint resolution' means only a joint resolution introduced after the date on which the report referred to in subsection (b) is received by Congress the matter after the resolving clause of which is as follows: 'That Congress disapproves the rule submitted by the _____ relating to _____, and such rule shall have no force or effect. (The blank spaces being appropriately filled in.)'.

"(2)(A) A resolution described in paragraph (1) shall be referred to the committees in each House of Congress with jurisdiction. Such a resolution may not be reported before the eighth day after its submission or publication date.

"(B) For purposes of this subsection the term 'submission or publication date' means the later of the date on which—

"(i) the Congress receives the report submitted under subsection (b)(1); or

"(ii) the rule is published in the Federal Register.

"(3) If the committee to which is referred a resolution described in paragraph (1) has not reported such resolution (or an identical resolution) at the end of 20 calendar days after the submission or publication date defined under paragraph (2)(B), such committee may be discharged by the Majority Leader of the Senate or the Majority Leader of the House of Representatives, as the case may be, from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

"(4)(A) When the committee to which a resolution is referred has reported, or when a committee is discharged (under paragraph (3)) from further consideration of, a resolution described in paragraph (1), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

"(B) Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

"(C) Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

"(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

"(5) If, before the passage by one House of a resolution of that House described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

"(A) The resolution of the other House shall not be referred to a committee.

"(B) With respect to a resolution described in paragraph (1) of the House receiving the resolution—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.

"(6) This subsection is enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.".

(c) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 553 the following:

"553a. Congressional review of rules.".

(d) EFFECTIVE DATE.—This Act shall take effect on the date of the enactment of this Act and shall apply to any significant rule that takes effect as a final rule on or after such effective date.

THE REGULATORY OVERSIGHT ACT OF 1995

A bill to amend the Administrative Procedures Act to provide for a 45-day period during which the Congress may enact a joint

resolution of disapproval under a "fact track" procedure.

Provides a 45-day period after publication of any final rule by a federal agency, during which the Congress has an opportunity to review the rule and, if it chooses, enact a joint resolution of disapproval on a fast-track basis. The joint resolution of disapproval would declare that the rule has no force or effect.

The joint resolution of disapproval may be vetoed by the President, and Congress has the opportunity to override the veto.

Upon issuing a final rule, a federal agency must send to Congress a report containing a copy of the rule and the complete cost/benefit analysis, if any, prepared for the rule. The 45-day period for congressional review would begin on the date the Congress receives the agency's report on the rule, or on the date the final rule is published in the *Federal Register*, whichever, is later. Any Senator or Representative may introduce a resolution of disapproval, which will be referred to the committees of jurisdiction.

Congress will have 45 days to review final rules and consider a resolution of disapproval, under the expedited procedures established in this Act. All final rules that are published less than 60 days before a Congress adjourns sine die, or that are published during sine die adjournment, shall be eligible for review and "fast track" disapproval procedures for 45 days beginning on the date the new Congress convenes.

If the committee of jurisdiction has not reported the resolution of disapproval within 20 calendar days from the date the rule is published in the *Federal Register*, the Majority Leader of the Senate and the Majority Leader of the House of Representatives, respectively, may discharge the committee(s) and place the resolution of disapproval directly on the Calendar.

Once the resolution of disapproval is placed on the Calendar by the appropriate committee or by the Majority Leader, any senator may make a motion to proceed to the resolution. The motion to proceed is privileged and is not debatable. Once the Senate has voted to proceed to the resolution of disapproval, debate on the resolution of disapproval is limited to ten hours, equally divided, with no motions (other than motion to further limit debate) or amendments in order. If the resolution passes one body, it is eligible for immediate consideration on the Floor of the other body.

"Significant" final rules, which the Act defines as final rules that have an economic effect on State, local, and tribal governments and the private sector of at least $100 million in any year, may not take effect until at least 45 days after the rule is published. However, "significant" final regulations addressing imminent threats to health and safety, or other emergencies, criminal law enforcement, or matters of national security, may be exempted by Executive Order from the 45-day minimum delay in the effective date. The decision by the President to exempt any significant final rule from the delay is not subject to judicial review. Under current law, most rules already are delayed by 30 days pending the filing of an appeal. The delay of 45 days is provided in this Act to avoid economic uncertainties and harm from these very large and burdensome rules during the congressional review period.

The effective date of the "significant" final rule would not go into effect after the 45-day period if the resolution of disapproval has passed both Houses within that time. If the joint resolution of disapproval is vetoed, the effective date of the final rule will continue to be postponed until 30 legislative days have passed after the veto, or the date on which either House fails to override the veto, whichever is earlier.

Generally, judicially-ordered deadlines would still apply to the dates agencies must issue the final rule, but would not apply to the 45-day postponement of the effective date for "significant" rules.●

By Mr. MCCAIN (for himself and Mr. KYL):

S. 349. A bill to reauthorize appropriations for the Navajo-Hopi Relocation Housing Program; to the Committee on Indian Affairs.

THE NAVAJO-HOPI RELOCATION HOUSING PROGRAM REAUTHORIZATION ACT

● Mr. MCCAIN. Mr. President, today I am introducing a bill to reauthorize appropriations for the Navajo-Hopi Relocation Housing Program. I am pleased that Senator KYL has joined me on this bill as an original cosponsor.

I believe that most of my colleagues have at least some familiarity with the tragic land disputes which have divided the Navajo and Hopi Tribes for more than a century. In 1974 the Congress acted to try to bring about a resolution of those disputes through a partition of the disputed lands and the relocation of the members of each tribe from the lands partitioned to the other tribe. This has proven to be a difficult and contentious process and the original Settlement Act has been amended twice to try to resolve problems which arose in its implementation.

Since the enactment of the Settlement Act, 4,432 Navajo and Hopi families have applied for relocation benefits. Of those, 3,255 have been certified eligible and 11,177 have been denied benefits. Of those who were denied benefits, 223 are engaged in active appeals. A total of 2,434 families had been relocated as of the end of 1994 and 544 eligible families were awaiting their benefits.

Most of the 544 families still awaiting benefits long ago complied with the law and voluntarily left their homes which are located on lands partitioned to the other tribe. Unfortunately, the pace of the relocation housing program has been such that on average fewer than 200 eligible families are served in each calendar year.

The bill we are introducing today will provide 2 more years of authority for appropriations for the relocation housing program. It is my understanding that Office of Navajo and Hopi Indian Relocation is in the process of preparing a report for the appropriations committees which will provide information on the amount of funding necessary to complete the relocation program and an estimate of the time this will take. I look forward to reviewing that report. I also look forward to the hearing on this bill because it will provide an opportunity for the Committee on Indian Affairs to evaluate the relocation housing program to ensure that it is being operated as fairly and efficiently as possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD.

S. 349

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REAUTHORIZATION OF APPROPRIATIONS FOR THE NAVAJO-HOPI RELOCATION HOUSING PROGRAM.

Section 25(a)(8) of Public Law 93-531 (25 U.S.C. 640d-24(a)(8)) is amended by striking "1989," and all that follows through "and 1995." and inserting "1995, 1996, and 1997.".●

By Mr. BOND:

S. 350. A bill to amend chapter 6 of title 5, United States Code, to modify the judicial review of regulatory flexibility analyses, and for other purposes; to the Committee on the Judiciary.

REGULATORY FLEXIBILITY AMENDMENTS ACT

● Mr. BOND. Mr. President, today I am introducing the Regulatory Flexibility Amendments Act of 1995. The Regulatory Flexibility Act is of paramount importance to the 21 million U.S. small businesses. Small businesses employ 54 percent of the U.S. work force, account for 44 percent of all sales, and generate 39 percent of our gross domestic product.

Government regulations place extraordinary burdens on small businesses, and the result is to hinder their ability to compete at home and in the global marketplace. However, the Regulatory Flexibility Act, Reg Flex Act, if properly implemented and appropriately strengthened, can help ease the regulatory burdens on small businesses. I am very pleased the small business community endorses my bill. Furthermore, President Clinton has expressed his strong support for judicial review to permit small businesses to challenge Federal agencies under the Reg Flex Act.

THE REGULATORY FLEXIBILITY ACT

The Reg Flex Act is based on two premises. First, Federal departments and agencies often do not recognize the impact of rules on small businesses. Second, small businesses are disproportionately affected by Federal regulations compared to their larger counterparts.

The Reg Flex Act was enacted to reduce, where appropriate, the impact of Federal regulations on small business. The Reg Flex Act requires Federal agencies to assess the impact of their proposals on small businesses. Agencies have two options under the statute—performing a regulatory flexibility analysis or issuing a certification.

An agency certifies a rule if it determines the rule will not have a significant economic impact on a substantial number of small businesses. The certification must be announced in the—

Federal Register and must be accompanied by "a succinct statement explaining the reasons for such certification." Boilerplate statements that the rule will not have such an effect are inadequate under the Reg Flex Act.

An agency assessment that reveals the rule will have a significant economic impact on a substantial number of small businesses requires the agency to prepare a regulatory flexibility analysis. The analysis must contain: a description of the reasons why the action is being considered; a succinct statement of the objectives of and legal basis for the action; a description and estimate of the number of small businesses affected by the agency action; a detailed description of the reporting, recordkeeping, and other compliance requirements with special attention to the affected small businesses; and any duplicative Federal regulations.

Additionally, the analysis must describe and examine significant alternatives to the proposed rule which can accomplish the objectives of the agency, but which minimize the economic impact on small businesses. Significant alternatives may include but are not limited to: First establishment of differing compliance or reporting requirements that take into account the resources available to small businesses; second, the use of performance rather than design standards; and third, exemptions of small businesses from all or part of the rule. When an agency promulgates a final rule under section 553 of the Reg Flex Act, it must explain why it did not adopt other alternatives to minimize the effects on small businesses which were presented to the agency during the rulemaking process.

WHY AMEND THE REG FLEX ACT?

Unfortunately, too many Federal regulators fail to exercise their responsibilities under the Reg Flex Act. When government agencies fail to comply with the act, they impose significant and burdensome requirements on small businesses and thereby threaten their viability. All too often, these agencies view the act as nothing more than another procedural impediment to the adoption of a particular rule. As a result, agencies issue boilerplate certifications without performing the underlying assessment of impacts on small businesses required by the Reg Flex Act. As long as Federal departments and agencies continue to act in this manner, small businesses will be the big losers.

MEANS TO STRENGTHEN AGENCY COMPLIANCE WITH THE REG FLEX ACT

My Regulatory Flexibility Act Amendment has one critical element: repeal the prohibition against judicial review.

The Reg Flex Act requires Federal departments and agencies to consider the impact of their actions on small businesses. However, in 1980, the authors of the act were concerned a litigation explosion might result under this law. The rationale being that businesses would attempt to delay the implementation of regulations through court action. To prevent this problem, the sponsors included a provision excluding separate judicial challenges to agency compliance with the Reg Flex Act.

Today, we realize it is highly unlikely there would be a flood of litigation if judicial review is permitted under the Reg Flex Act. The fact is, most small businesses do not have the financial resources to bring frivolous, unfounded lawsuits. However, my bill will insure that small business have the opportunity to challenge regulators who attempt to avoid the Reg Flex Act. As a consequence, my colleagues should not be fooled by the "red herring" of a threat of litigation explosion.

The ability of agencies to ignore their responsibilities under the Reg Flex Act is enhanced by the conspicuous absence of judicial review under the act. Without judicial review, compliance rests upon each agency's voluntary commitment to utilize the Reg Flex Act in its quest for rational rulemaking mandated by the Administrative Procedure Act [APA].

Small businesses do not need voluntary commitments, they need concrete action. The primary means to accomplish mandatory compliance will be to authorize small businesses hurt by an agency's failure to comply with the Reg Flex Act to challenge that agency in federal court. That is what my bill does.

CONCLUSION

Mr. President, the Regulatory Flexibility Amendments Act of 1995 will help curtail excessive regulation by Government bureaucrats. Furthermore, it will add teeth to the Reg Flex Act and give small businesses a legal means for countering continued violations of the act. The Reg Flex Act, if properly implemented and appropriately strengthened, can help ease the regulatory burdens on small businesses. Regulatory relief will create greater opportunities for small businesses, more jobs for American workers, and will expand the U.S. economy.

I urge my colleagues to support this reform of the Reg Flex Act.•

ADDITIONAL COSPONSORS

S. 47

At the request of Mr. SARBANES, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 47, a bill to amend certain provisions of title 5, United States Code, in order to ensure equality between Federal firefighters and other employees in the civil service and other public sector firefighters, and for other purposes.

S. 50

At the request of Mr. LOTT, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 50, a bill to repeal the increase in tax on social security benefits.

S. 205

At the request of Mrs. BOXER, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 205, a bill to amend title 37, United States Code, to revise and expand the prohibition on accrual of pay and allowances by members of the Armed Forces who are confined pending dishonorable discharge.

S. 219

At the request of Mr. NICKLES, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 219, a bill to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes.

S. 233

At the request of Mr. MCCAIN, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 233, a bill to provide for the termination of reporting requirements of certain executive reports submitted to the Congress, and for other purposes.

S. 241

At the request of Mr. D'AMATO, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of S. 241, a bill to increase the penalties for sexual exploitation of children, and for other purposes.

S. 256

At the request of Mr. DOLE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 326

At the request of Mr. HATFIELD, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 326, a bill to prohibit U.S. military assistance and arms transfers to foreign governments that are undemocratic, do not adequately protect human rights, are engaged in acts of armed aggression, or are not fully participating in the United Nations Register of Conventional Arms.

AMENDMENTS SUBMITTED

THE COMPREHENSIVE REGULATORY REFORM ACT OF 1995

DOLE (AND OTHERS) AMENDMENT NO. 229

(Ordered referred to the Committee on the Judiciary.)

Mr. DOLE (for himself, Mr. NICKLES, Mr. BOND, Mrs. HUTCHISON, Mr. MURKOWSKI, Mr. LOTT, Mr. COCHRAN, Mr. HATCH, Mr. DOMENICI, Mrs. KASSEBAUM, Mr. COATS, Mr. ABRAHAM, Mr. INHOFE, Mr. SMITH, Mr. SANTORUM, Mr. THOMPSON, Mr. WARNER, Mr. KYL) submitted an amendment intended to be proposed by them to the bill (S. 343) to reform the regulatory process, and for other purposes; as follows:

At the appropriate place add the following:

"SUBCHAPTER III—RISK ASSESSMENTS

"§ 631. Definitions

"For purposes of this subchapter:

"(1) The term 'best estimate' means an estimate that, to the extent feasible and scientifically appropriate, is based on one or more of the following:

"(A) Central estimates of risk using the most plausible assumptions.

"(B) An approach that combines multiple estimates based on different scenarios and weighs the probability of each scenario.

"(C) Any other methodology designed to provide the most unbiased representation of the most plausible level of risk, given the current scientific information available to the agency concerned.

"(2) The term 'emergency' means a clearly imminent and substantial endangerment to public health, safety, or natural resources.

"(3) The term 'hazard identification' means identification of a substance, activity, or condition as potentially posing a risk to human health or safety or natural resources based on empirical data, measurements, testing, or scientifically acceptable methods showing that it has caused significant adverse effects at some levels of dose or exposure not necessarily relevant to level of dose or exposure that are normally expected to occur.

"(4) The term 'negative data' means data indicating that under certain conditions a given substance or activity did not induce an adverse effect.

"(5) The term 'plausible' means realistic and scientifically probable.

"(6) The term 'risk assessment' means—

"(A) the process of identifying hazards, and quantifying (to the extent practicable) or describing the degree of toxicity, exposure, or other risk the hazards pose for exposed individuals, populations, or resources; and

"(B) the document containing the explanation of how the assessment process has been applied to an individual substance, activity, or condition.

"(7) The term 'risk characterization'—

"(A) means the element of a risk assessment that involves presentation of the degree of risk to individuals and populations expected to be protected, as presented in any regulatory proposal or decision, report to Congress, or other document that is made available to the public; and

"(B) includes discussions of uncertainties, conflicting data, estimates, extrapolations, inferences, and opinions.

"(8) The term 'substitution risk' means a potential increased risk to human health, safety, or the environment from a regulatory option designed to decrease other risks.

"§ 632. Applicability

"(a) Except as provided in subsection (b), this subchapter shall apply to all risk assessments and risk characterizations prepared by, or on behalf of, or prepared by others and adopted by, any agency in connection with health, safety, and risk to natural resources.

"(b)(1) This subchapter shall not apply to risk assessments or risk characterizations performed with respect to—

"(A) a situation that the head of the agency considers to be an emergency;

"(B) a rule that authorizes the introduction into commerce, or recognizes the marketable status of a product; or

"(C) a screening analysis.

"(2)(A) An analysis shall not be treated as screening analysis for the purposes of paragraph (1)(B) if the result of the analysis is used—

"(i) as the basis for imposing a restriction on a substance or activity; or

"(ii) to characterize a positive finding of risks from a substance or activity in any agency document or other communication made available to the public, the media, or Congress.

"(B) Among the analyses that may be treated as a screening analyses for the purposes of paragraph (1)(B) are product registrations, reregistrations, tolerance settings, and reviews of premanufacture notices and existing chemicals under the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 136 et seq.) and the Toxic Substances Control Act (15 U.S.C. 2601 et seq.).

"(3) This subchapter shall not apply to any food, drug, or other product label or to any risk characterization appearing on any such label.

"§ 633. Rule of construction

"Nothing in this subchapter shall be construed to—

"(1) preclude the consideration of any data or the calculation of any estimate to more fully describe risk or provide examples of scientific uncertainty or variability; or

"(2) require the disclosure of any trade secret or other confidential information.

"§ 634. Requirement to prepare risk assessments

"(a) Except as provided in section 632, the head of each agency shall prepare for each major rule relating to human health, safety, or natural resources that is proposed by the agency after the date of enactment of this subchapter, is pending on the date of enactment of this subchapter, or is subject to a granted petition for cost-benefit analysis pursuant to section 625 or petition for review pursuant to section 637—

"(1) a risk assessment in accordance with this subchapter;

"(2) for each such proposed or final rule, an assessment, quantified to the extent feasible, of incremental risk reduction or other benefits associated with each significant regulatory alternative to the rule or proposed rule; and

"(3) for each such proposed or final rule, quantified to the extent feasible, a comparison of any human health, safety, or natural resource risks addressed by the regulatory alternatives to other relevant risks chosen by the head of the agency, including at least 3 other risks regulated by the agency and to at least 3 other risks with which the public is familiar.

"(b) A risk assessment prepared pursuant to this subchapter shall be a component of and used to develop the cost-benefit analysis required by subchapter II, and shall be made part of the administrative record for judicial review of any final agency action.

"§ 635. Principles for risk assessment

"(a)(1) The head of each agency shall apply the principles set forth in subsection (b) when preparing any risk assessment, whether or not required by section 634, to ensure that the risk assessment and all of its components—

"(A) distinguish scientific findings and best estimates of risk from other considerations;

"(B) are, to the maximum extent practicable scientifically objective, unbiased and inclusive of all relevant data; and

"(C) rely, to the extent available and practicable, on scientific findings.

"(2) Discussions or explanations required under this section need not be repeated in each risk assessment document as long as there is a reference to the relevant discussion or explanation in another agency document.

"(b) The principles to be applied when preparing risk assessments are as follows:

"(1)(A) When assessing human health risks, a risk assessment shall be based on the most reliable laboratory, epidemiological, and exposure assessment data that finds, or fails to find, a correlation between a health risk and a potential toxin or activity. Other relevant data may be summarized.

"(B) When conflicts among such data appear to exist, or when animal data are used as a basis to assess human health, the assessment shall include discussion of possible reconciliation of conflicting information, and, as appropriate, differences in study designs, comparative physiology, routes of exposure, bioavailability, pharmacokinetics, and any other relevant factor, including the availability of raw data for review. Greatest emphasis shall be placed on data that indicates a biological basis of the resulting harm in humans. Animal data shall be reviewed with regard to relevancy to humans.

"(2) When a risk assessment involves selection of any significant assumption, inference, or model, the agency shall—

"(A) describe the plausible and alternative assumptions, inferences, or models;

"(B) explain the basis for any choices among such assumptions, inferences, or models;

"(C) identify any policy or value judgments involved in choosing from among such alternative assumptions, inferences, or models;

"(D) fully describe any model used in the risk assessment and make explicit the assumptions incorporated in the model; and

"(E) indicate the extent to which any significant model has been validated by, or conflicts with, empirical data.

"(3) A risk assessment shall be prepared at the level of detail appropriate and practicable for reasoned decisionmaking on the matter involved, taking into consideration the significance and complexity of the decision and any need for expedition.

"§ 636. Principles for risk characterization and communication

"In characterizing risk in any risk assessment document, regulatory proposal or decision, report to Congress, or other document that is made available to the public, each agency characterizing the risk shall comply with each of the following:

"(1)(A) The head of the agency shall describe the populations or natural resources that are the subject of the risk characterization.

"(B) If a numerical estimate of risk is provided, the head of the agency, to the extent feasible and scientifically appropriate—

"(i) shall provide—

"(I) the best estimate or estimates for the specific populations or natural resources which are the subject of the characterization (based on the information available to the department, agency, or instrumentality) or, in lieu of a single best estimate, an array of multiple estimates (showing the distribution

of estimates and the best estimate) based on assumptions, inferences, or models which are equally plausible, given current scientific understanding;

"(II) a statement of the reasonable range of scientific uncertainties; and

"(III) to the extent practicable and appropriate, descriptions of the distribution and probability of risk estimates to reflect differences in exposure variability in populations and uncertainties;

"(ii) in addition to a best estimate or estimates, may present plausible upper-bound or conservative estimates, but only in conjunction with equally plausible lower-bound estimates; and

"(iii) shall ensure that, where a safety factor, as distinguished from inherent quantitative or qualitative uncertainties, is used, such factor shall be similar in degree to safety factors used to ensure safety in human activities.

"(2) The head of the agency shall explain the exposure scenarios used in any risk assessment, and, to the extent feasible, provide a statement of the size of the corresponding population or natural resource at risk and the likelihood of such exposure scenarios.

"(3)(A) To the extent feasible, the head of the agency shall provide a statement that places the nature and magnitude of individual and population risks to human health in context.

"(B) A statement under subparagraph (A) shall—

"(i) include appropriate comparisons with estimates of risks that are familiar to and routinely encountered by the general public as well as other risks; and

"(ii) identify relevant distinctions among categories of risk and limitations to comparisons.

"(4) When an agency provides a risk assessment or risk characterization for a proposed or final regulatory action, such assessment or characterization shall include a statement of any significant substitution risks to human health identified by the agency or contained in information provided to the agency by a commenter.

"(5) If—

"(A) an agency provides a public comment period with respect to a risk assessment or regulation;

"(B) a commenter provides a risk assessment, and a summary of results of such risk assessment; and

"(C) such risk assessment is reasonably consistent with the principles and the guidance provided under this subtitle,

the agency shall present such summary in connection with the presentation of the agency's risk assessment or the regulation.

"§ 637. Regulations; plan for assessing new information

"(a)(1) Not later than 1 year after the date of enactment of this subchapter, the President shall issue a final regulation that has been subject to notice and comment under section 553 of this title for agencies to implement the risk assessment and characterization principles set forth in sections 635 and 636 and shall provide a format for summarizing risk assessment results.

"(2) The regulation under paragraph (1) shall be sufficiently specific to ensure that risk assessments are conducted consistently by the various agencies.

"(b)(1) Review of the risk assessment for any major rule shall be conducted by the head of the agency on the written petition of a person showing a reasonable likelihood that—

"(A) the risk assessment is inconsistent with the principles set forth in section 635 and 636;

"(B) the risk assessment produces substantially different results;

"(C) the risk assessment is inconsistent with a rule issued under subsection (a); or

"(D) the risk assessment does not take into account material significant new scientific data or scientific understanding.

"(2) Not later than 90 days after receiving a petition under paragraph (1), the head of the agency shall respond to the petition by agreeing or declining to review the risk assessment referred to in the petition, and shall state the basis for the decision.

"(3) If the head of the agency agrees to review the petition, the agency shall complete its review within 180 days, unless the Director of the Office of Management and Budget agrees in writing with an agency determination that an extension is necessary in view of limitations on agency resources.

"(4) Denial of a petition by the agency head shall be subject to judicial review in accordance with chapter 7 of title 5, United States Code.

"(5) A risk assessment completed pursuant to a petition may be the basis for initiating a regulatory review pursuant to section 625.

"(c) The regulations under this section shall be developed after notice and opportunity for public comment, and after consultation with representatives of appropriate State agencies and local governments, and such other departments and agencies, offices, organizations, or persons as may be advisable.

"(d) At least every 4 years, the President shall review, and when appropriate, revise the regulations published under this section.

"§ 638. Decisional criteria

"For each major rule subject to this subchapter, the head of the agency, subject to review by the President, shall make a determination that—

"(1) the risk assessment under section 634 is based on a scientific and unbiased evaluation, reflecting realistic exposure scenarios, of the risk addressed by the major rule and is supported by the best available scientific data, as determined by a peer review panel in accordance with section 640; and

"(2) there is no alternative that is allowed by the statute under which the major rule is promulgated that would provide greater net benefits or that would achieve an equivalent reduction in risk in a more cost-effective and flexible manner.

"§ 639. Regulatory priorities

"(a) In exercising authority under any laws protecting human health and safety or the environment, the head of an agency shall prioritize the use of the resources available under such laws to address the risks to human health, safety, and natural resources that—

"(1) the agency determines are the most serious; and

"(2) can be addressed in a cost-effective manner, with the goal of achieving the greatest overall net reduction in risks with the public and private sector resources to be expended.

"(b) In identifying the sources of the most serious risks under subsection (a), the head of the agency shall consider, at a minimum—

"(1) the plausible likelihood and severity of the effect; and

"(2) the plausible number and groups of individuals potentially affected.

"(c) The head of the agency shall incorporate the priorities identified in subsection (a) into the budget, strategic planning, and research activities of the agency by, in the agency's annual budget request to Congress—

"(1) identifying which risks the agency has determined are the most serious and can be addressed in a cost-effective manner under subsection (a), and the basis for that determination;

"(2) explicitly identifying how the agency's requested funds will be used to address those risks;

"(3) identifying any statutory, regulatory, or administrative obstacles to allocating agency resources in accordance with the priorities established under subsection (a); and

"(4) explicitly considering the requirements of subsection (a) when preparing the agency's regulatory agenda or other strategic plan, and providing an explanation of how the agenda or plan reflects those requirements and the comparative risk analysis when publishing any such agenda or strategic plan.

"(d) In March of each year, the head of each agency shall submit to Congress specific recommendations for repealing or modifying laws that would better enable the agency to prioritize its activities to address the risks to human health, safety, and the environment that are the most serious and can be addressed in a cost-effective manner consistent with the requirements of subsection (a).

"§ 640. Establishment of program

"(a) The President shall develop a systematic program for the peer review of work products covered by subsection (c), which program shall be used uniformly across the agencies.

"(b) The program under subsection (a)—

"(1) shall provide for the creation of peer review panels consisting of independent and external experts who are broadly representative and balanced to the extent feasible;

"(2) shall not exclude peer reviewers merely because they represent entities that may have a potential interest in the outcome, if that interest is fully disclosed;

"(3) shall exclude, to the maximum extent practicable, any peer reviewer who has been involved in any previous analysis of the tests and evidence presented for certification by the peer review panel; and

"(4) shall provide for a timely completed peer review, meeting agency deadlines, which contains a balanced presentation of all considerations, including minority reports and an agency response to all significant peer review comments.

"(c) The peer review and the agency's responses shall be made available to the public and shall be made part of the administrative record for purposes of judicial review of any final agency action.

"(d) The proceedings of peer review panels under this section shall be subject to the applicable provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, I would like to announce that the Senate Committee on Governmental Affairs will hold a series of hearings on regulatory reform. The first hearing, on Tuesday, February 7, will provide a forum for various Senators to speak on the regulatory moratorium and regulatory reform proposals. The second hearing, on

Wednesday, February 8, will provide a forum for various witnesses to discuss the problem of irrational regulations and the problems of the rising costs of regulation, the cumulative regulatory burden, and systematic problems with the regulatory process. Subsequent hearings will cover the principles for reforming the regulatory process, including cost/benefit analysis, risk analysis, market incentives, periodic review of existing regulations, regulatory accounting, property rights, administrative process costs, and centralized review of regulations.

The hearings will be held in SD–342, from 9:30 a.m. to 12:30 p.m.

For further information, please call Paul Noe at (202) 224–4751.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to consider the President's 1996 proposed budget.

The committee will hear testimony from the Department of Energy and the Federal Energy Regulatory Commission on Thursday, February 9, 1995.

The hearing will begin at 9:30 a.m., and will take place in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call Betty Nevitt or Jim Beirne at (202) 224–0765.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 10 a.m. on Thursday, February 2, 1995, in open session, to receive testimony on the foundations of U.S. national strategy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Finance Committee be permitted to meet Thursday, February 2, 1995, beginning at 9:30 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing on whether U.S. personal savings can be increased by targeted incentives.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 2, 1995, at 2 p.m. to hold a nomination hearing for Dr. Martin S. Indyk, of the District of Columbia, to be Ambassador to Israel.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. SIMPSON. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee for authority to meet on Thursday, February 2, at 9:30 a.m. for a hearing on the subject: Reinventing Government II: Information Management Systems in the Federal Government.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities be authorized to meet for a hearing on Education's Impact on Economic Competitiveness, during the session of the Senate on Thursday, February 2, 1995 at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COMMERCIAL AVIATION FUEL TAX EXEMPTION

• Mr. SANTORUM. Mr. President, I am pleased to introduce a bill with Senator GORTON, Senator BRYAN, and others to repeal the commercial aviation fuel tax, and I am proud that this is the first piece of legislation I am introducing as a U.S. Senator. As I traveled throughout all of Pennsylvania's 67 counties this past year, it was clear that the threat to jobs and industry from this upcoming tax required immediate attention. In keeping with my promise to Pennsylvanians, I am confident that this will remove an obstacle to the recovery of an industry critical to Pennsylvania's economy.

This tax, which will take effect on October 1, 1995, will force the troubled airline industry to assume another massive financial burden. The Omnibus Budget Reconciliation Act of 1993 imposed a new 4.3 cents per gallon tax on commercial aviation fuel. At the time, the airline industry was experiencing deep financial difficulties, so the act granted a 2-year waiver on the imposition of this tax. Clearly, the industry has yet to recover, and a tax costing $527 million annually will have a devastating effect on service providers, airline manufacturers, and other related employers. More layoffs, increased ticket prices, and greater deterioration of consumer confidence in our Nation's airlines is not the goal of a responsible Congress.

Historically, the airline industry has been assessed excise and cargo taxes in lieu of a fuel tax. These alternate taxes amount to $5.4 billion annually. In addition, since 1990, the industry has lost $12.8 billion, nearly 120,000 employees have lost their jobs, and tens of thousands of airline manufacturing employees have been laid off. For a troubled industry which pays more than its fair share of taxes, I believe it is our responsibility to repeal this excessive and potentially destructive tax.

Last Autumn, 59 Senators and 4 future Senators, myself included, wrote to President Clinton seeking relief from this tax. This Congress, I am proud to report a groundswell of support amongst Republicans and Democrats in both the Senate and the House of Representatives. I hope this support continues unabated as we proceed to final passage of a repeal which is needed and in the best interests of our Nation's airline laborers, service employees, and the industry as a whole.•

• Mr. GORTON. Mr. President, I am pleased to join with Senator SANTORUM, Senator BRYAN, and others in introducing a bill to repeal the fuel tax on commercial aviation. The effect of this bill will be simply to disallow the 4.3 cents per gallon fuel tax from going into effect on October 1, 1995. Two years ago, Congress correctly recognized that the airlines had undergone tremendous financial difficulties and that imposing another new tax upon this beleaguered industry made no sense—this remains true today.

The airline industry has lost approximately $12 billion in the last 4 years. The industry is aggressively trying to turn this picture around and is just now beginning to show some signs of success. In the last several years, the industry has had to resort to massive layoffs, wage and benefit concessions, route reductions, and substantial cuts in capital spending. Six of the largest airlines have canceled or deferred orders for 647 aircraft totaling $38 billion. Tens of thousands of airline and aircraft manufacturing employees have lost their jobs. Boeing's employment alone has dropped by 43,000 in the last 5 years due to a substantial decline in both the commercial and the defense business. Three major air carriers—United, Northwest, and TWA—have transferred substantial amounts of ownership to company employees in exchange for wage and benefit concessions.

In order to meet stage 3 aircraft noise requirements, it is estimated that the industry will spend $7 to $8 billion a year during the remainder of this decade. The industry cannot afford to add an additional $527 million a year in new taxes—this on top of the many taxes it is already paying. Most people, I believe, would be shocked to learn that the industry pays over $5.4 billion annually in excise taxes and fees, the equivalent to a 45.82 cents per gallon fuel tax.

Last year I was proud to serve on the National Airline Commission. In our report, we discussed the proposed fuel tax and other burdensome taxes placed upon the industry. It was our collective conclusion that, "there are several tax provisions that impede the ability of

the industry to return to financial health. We believe those provisions violate reasonable principles of common sense and good public policy." I hope the Congress will join with us in rejecting burdensome new taxes on this important industry and will support the enactment of this legislation.•

PUERTO RICO'S COLONIAL DILEMMA

• Mr. SIMON. Mr. President, representing Puerto Rico in the House of Representatives is CARLOS ROMERO-BARCELÓ, the former Governor of the Commonwealth of Puerto Rico.

I have worked with him through the years and have come to have great respect for him.

One of his passions is that Puerto Rican citizens not be second-class citizens but have all the rights that the rest of us, as Americans, have.

I share that passion with him.

The blatant inconsistency of the way we treat people in Puerto Rico should be on the consciences of those of us who serve in the House and the Senate.

Recently, Representative ROMERO-BARCELÓ sent a "Dear Colleague" to the Members of the House and enclosed an item of his that was published in the Washington Times about Puerto Rico.

I ask to insert that at the end of these remarks and urge my colleagues in the Senate and the House to listen to his powerful message.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, January 24, 1995.

Re Puerto Rico's colonial dilemma.

DEAR COLLEAGUE: On December 15, 1994, I wrote a column—a copy is provided on the reverse side—published in the Washington Times in which I discussed Puerto Rico's colonial dilemma and the unequal treatment of U.S. citizens in Puerto Rico.

For the past 97 years, Puerto Rico has been and still is a territory, or a colony, of the United States. The Island is home to 3.7 million American citizens who are disenfranchised and deprived of participating in the democratic process of the Nation. This disenfranchisement has been justified by a policy, created and maintained by Congress, which frees residents of Puerto Rico from paying Federal personal and corporate income taxes. Puerto Rico's residents do, however, pay most all other Federal taxes and user fees. In addition, this exemption from Federal income taxes has justified the exclusion of the island's residents in critical Federal programs such as Supplement Security Income [SSI].

Moreover, through section 936 of the Internal Revenue Code, the Federal Government has exempted subsidiaries of multi-national corporations in Puerto Rico from Federal corporate taxes. Section 936 has resulted in a socio-economic policy for Puerto Rico that is exactly opposite of the socio-economic policy of the rest of the Nation. While wealthy corporations in Puerto Rico are given billions of dollars in annual tax credits, the poor, the disabled, the elderly, and children at risk are denied the same safety net and economic opportunities that their follow citizens receive in the 50 States and the District of Columbia.

Like the District, Puerto Rico has no voting representation in Congress, yet its residents are also denied the right to vote in the Presidential elections. This is significant because the President is our top elected official and the one who makes daily policy decisions that affect all citizens, including those in Puerto Rico.

We preach the virtues of democracy throughout the world. Nevertheless, the United States still maintains the largest colony in the world—Puerto Rico—home to 3.7 million disenfranchised American citizens that are excluded from the democratic process of their Nation.

American citizens in Puerto Rico should not be denied full participation in our great democratic experience. Residents of the island should share in equality with their fellow citizens in the 50 States, not only in the rights and benefits protected by the U.S. Constitution but in the responsibilities and duties as well.

I urge you to read my column which sheds more light on Puerto Rico's colonial dilemma and the unequal and unfair treatment which our people receive as a result of the existing colonial relationship.

Sincerely,

CARLOS ROMERO-BARCELÓ.

[From the Washington Times, Dec. 15, 1994]

THE CASE FOR PUERTO RICO'S VOTING RIGHTS

(By Carlos Romero-Barceló)

Regarding your Dec. 6 editorial "Taxation, representation and the District": As Puerto Rico's only elected representative to Congress, I am, keenly aware of the limitations faced by the five delegates in the House of Representatives.

Since the early 1970s we have been able to vote in the House committees on which we serve. This important authority was secured by the Puerto Rican delegate of the time, Jorge Luis Cordova-Diaz. In 1993, Delegate Eleanor Holmes Norton did indeed actively seek and obtain the right to vote in the Committee of the Whole for herself and the other four delegates. Although this was merely symbolic, we nevertheless welcomed the opportunity for added participation in House proceedings.

With respect to the distinction you make between the District's representative and the other delegates on the basis of federal taxation in our respective districts, I differ with your analysis, at least in the case of Puerto Rico.

First, Puerto Rico, a U.S. territory since 1898, is home to 3.7 million American citizens, who are disenfranchised and deprived of participating in the democratic process of their nation. Federal personal income taxes are not levied on residents of the island, not because we don't want to pay them, but because Congress has maintained this policy since income taxes were first imputed in order to justify our disenfranchisement. Nevertheless, most other federal taxes and user fees are indeed applicable in Puerto Rico (e.g., Social Security taxes, unemployment taxes, Medicare taxes, customs duties, certain excise taxes and even income taxes on income derived outside of Puerto Rico). In fact, the U.S. Treasury collected from Puerto Rico $2.5 billion during 1993 (source Advanced Draft, IRS Commissioner's Report, 1993).

The congressional policy of not extending federal income taxes to the island has also been used as an excuse for not granting equal treatment in federal programs to U.S. citizens in Puerto Rico. For example, the Supplemental Security Income (SSI) program is not applicable to otherwise eligible U.S. citizens in Puerto Rico. Other critical programs such as Chapter I education funds, Medicaid, Aid to Families with Dependent Children and the Nutritional Assistance program are severely capped. Medicaid is capped at approximately 10 percent of what we would get if we were treated on an equal basis.

Moreover, Congress and successive administrations have put in effect a tax and economic policy that has a "reverse Robin Hood effect." The federal government, for instance, has opted to exempt subsidiaries of U.S. corporations in Puerto Rico from federal corporate taxes through Section 936 of the Internal Revenue Code. The 936 tax credit has cost U.S. taxpayers $50 billion in the past two decades. According to the latest estimates from the Joint Committee on Taxation, Section 936 will cost the federal government $19.7 billion in the next five years. Congress has maintained, through Section 936, a tax policy that results in a socioeconomic policy for Puerto Rico that is exactly the opposite of the socioeconomic policy for the nation. While wealthy multinational corporations are given billions of dollars in annual tax credits (corporate welfare), hundreds of thousands of poor families the disabled, the elderly, and children are denied the same safety net and financial and economic support that their fellow citizens receive in the 50 states and the District of Columbia.

The public and the national media have the false impression that citizens in Puerto Rico do not pay any income taxes. Nothing could be further from the truth. People in Puerto Rico have indeed a very high local tax burden. Personal income taxes in Puerto Rico are generally higher than anywhere else in the United States, including jurisdictions where people pay local/state and federal income taxes.

Thus, it is the middle class, the working poor, the indigent, the elderly and the children who suffer the detrimental consequences of a federal taxation policy that makes no sense in Puerto Rico, we do not set the rules; Congress does. I must reiterate that just as in the case of the District, Congress has absolute power over the affairs of Puerto Rico. And just like the District, we have our version of "home rule," inappropriately referred to as "commonwealth." Make no mistake about it, Puerto Rico was and continues to be, de facto and de jure, a territory or colony of the United States.

Second, although residents of the District, like their counterparts in Puerto Rico, have no voting representation in Congress, at least they are able to vote in presidential elections. This is significant because the president is our top elected official and the one who makes the daily policy decisions that affect all citizens, including the ones in Puerto Rico. All U.S. citizens, including those abroad, are able to vote for the president, except those who make Puerto Rico and the other territories their home. People in Puerto Rico have no input in the election of the nation's commander in chief, notwithstanding the fact that they are subject to all federal laws and policies.

Thousands of U.S. citizens in Puerto Rico have paid the ultimate price and have died defending our shared democratic values. In our armed forces, more Puerto Ricans have died in armed conflicts during this century than citizens of any other state (on a per capita basis).

As mayor and governor, I have denounced federal tax policy toward Puerto Rico that

benefits most those who are wealthy and penalizes the poor, the elderly, the children and the working class. I urge federal policymakers to take steps to extend full and equal economic benefits and responsibilities to Puerto Rico. Puerto Ricans and all U.S. taxpayers will benefit from uniform and sensible application of our fiscal laws and our socioeconomic policies.

Finally, I have always maintained that we want to share in equality with our fellow citizens in the 50 states, not only in the rights and benefits but in the responsibilities and duties as well. At least in the District of Columbia citizens are partially enfranchised with political power. Not so the 3.7 million U.S. citizens of Puerto Rico. Political power is the ultimate form of liberation.

It is ironic indeed that the virtues of democracy are being highlighted during the Summit of the Americans while our nation denies 3.7 million citizens the right to participate in the democratic process. During the 1990s, the U.N. decade of decolonization, the United States must face the implications and repercussions of maintaining a colonial relationship with its territories.•

REMARKS OF OSBORN ELLIOTT

• Mr. MOYNIHAN. Mr. President, on January 12 the chairman of the Citizens Committee for New York City, Osborn Elliott, gave a thought-provoking speech on the role of journalism in public life. Mr. Elliott is the former dean of the Columbia University School of Journalism, and his remarks, which were made at the Key West Literary Seminar, deserve the attention of the Senate. Accordingly, I ask that the speech be included in the RECORD.

TIME FOR THE PRESS TO GET INVOLVED

(John Hersey Memorial Lecture by Osborn Elliott)

I'd like to tell you this evening about a love affair that is on the rocks.

The romance began a long time ago. It started as a schoolboy's infatuation, went roiling lustily through the pubescent years, and ultimately flowered into a deep and sustaining passion. There were ups and downs along the way, just as there are in any relationship. But the bonds grew stronger as the decades passed.

Now the affair is on the rocks, and I'm going to tell you why.

My romance with journalism began sixty years ago, when I was a little boy. On my way home from school one day, I stopped in at Mr. Rappaport's stationery store at 62nd Street and Third Avenue, to buy a Christmas card. In the back of his shop Mr. Rappaport kept an ancient press surrounded by wooden cases of type. He invited me to watch as he plucked letters from a font, handset his type, then put the great, hissing, clanking press into motion. Somehow, amid the aromatic chaos of printer's ink and noise, pristine sheets of stationery came flying out of that old machine.

To be young at Mr. Rappaport's was very heaven. It was the beginning of the affair.

Before you could say Arthur Ochs Sulzberger, I had acquired a toy typewriter, and was banging out my own newspaper, The Weekly Eagle, shamelessly plagiarizing Lindbergh kidnaping stories from the New York Daily News. I made three carbon copies of my paper so that circulation (at a nickel a copy) could extend beyond my parents to my brother and the woman who took care of me when my mother and father were at work. The weekly Eagle lasted three weeks, and its circulation never exceeded a total of four (unaudited).

After that came the thrill of working on my school magazine, and savoring that magical moment when copies would arrive from the printer, tightly wrapped in brown paper bundles. I would rip open the neat packages and wonder at how my henscratches had been miraculously converted into beautiful columns of type, marching down the page.

Later, in the Navy, it fell my lot to edit my ship's paper and to deliver the nightly news over the public-address system. And it was while I was still in the Navy, in the winter of 1945, that I had my first brush with big-time journalism. I was home on leave from Admiral Halsey's fleet in the Pacific and my parents had invited Charles Merz, editorial page editor of The New York Times, to dinner one night. Before we went in to eat, Charlie Merz picked up the phone and called the Times.

"Anything new from Halsey?" he inquired as I listened, goggle-eyed. Later that evening, Merz took us on a tour of the Times, through the newsroom and down to the typesetting room where the gangly linotype machines hissed and clanked, much like Mr. Rappaport's press. Then to the composing room, where pages were laid out and the type was locked up. And finally, to the pressroom, where everyone seemed to be nervously eyeing a large clock on the wall. As the sweep secondhand made its way around the face of the clock, Charlie Merz stepped up to the press. At 11 p.m. on the dot he raised his arm and he flicked an impressive red switch labeled START.

Slowly, the huge press began to turn, then faster and faster and soon the place was roaring rhythmically as bundles of the next day's Times came thumping onto the loading dock below.

From that moment on, I was hooked—and for the better part of half a century my romance with journalism paid huge rewards. Struggling to learn the basics as a young business reporter, I came to realize that even the most esoteric topic can be of interest once you get to know something about it—even the workings of the non-ferrous metals market, my very first beat for the New York Journal of Commerce.

Journalism gave me the most amazing access to people and events. I had interviews with half a dozen presidents, audiences with two Popes and the emperor of Japan. I traveled through Africa, Europe, Asia and Russia—and spent the most interesting week in my life living, and learning, in the black ghettos of America.

I was nattered at by Nasser, charmed by Giscard, irritated by Indira, jollied up by JFK, lambasted by LBJ and nit-picked by Nixon. I fell in love (unrequited) with the likes of Sills, Bacall and Ullman. I called Leonard "Lenny," Lauren "Betty," Henry "Henry" and Teddy "Ted."

Who wouldn't be seduced by all that? My romance flourished.

But for all the fun and games, there was seriousness of purpose that underlay most of the journalism that was practiced in those years—a belief that what we journalists did was important, that journalism could play a constructive role in exposing, confronting and thus helping to solve the great problems of the day.

Sometimes our work was agonizing, as when we wrestled week in and week out with the contradictions of Vietnam, trying to reconcile the conflicting reports we were getting from Washington and from the field. Sometimes our work was exhilarating, as when we produced a special issue of Newsweek on Black America, complete with recommendations on how the nation might begin to ease its racial dilemma. And sometimes our work was ineffably sad, as when we deployed our forces to cover the assassination of first one Kennedy and then another, and the killing of Martin Luther King.

I tell you all this not because my experience was unique, but because it was so typical. As great issues unfolded, we journalists did our best to understand and explain them to our readers, listeners and viewers. We did not much question the motives of public figures—except when there was a clear attempt to mislead, as in the Watergate disaster. We did not dwell obsessively on process, preferring instead to deal in substance. We did not poke through the garbage of people in the public eye.

I think we played a central role, and a positive one, in helping a democratic system thrash its way through trauma after trauma and toward something approaching consensus.

Thus did my romance with journalism ripen and mature.

It's hard to pinpoint exactly when the relationship began to crumble, but crumble it did. It's even harder to explain why so many factors were at work.

For one thing, I changed careers and moved into public service as a deputy mayor of New York City, and for the first time I had a view of journalism from the other side of the editor's desk. While I personally was treated well by the press, I found my old trade to be quixotic, unfocused, inaccurate and too often the prisoner of preconceptions. The assumption, for example, that anyone working for city government was, ipso facto, an incompetent drone—while I was learning that great numbers of city workers were actually dedicated and hard-working folk.

I also became aware of a failure of will within my old trade.

Strangely enough, no sooner had the power of journalism reached its zenith than editors began to back off from the fray. Having helped to topple one president—Nixon—and having derided another—Ford—and having snickered at a third—Carter—as he succumbed to a killer rabbit and other forces of evil, journalists found themselves uncomfortably close to the center of things and more and more being blamed when the business of the Nation seemed to be going wrong. So when yet another president—Reagan—took office with popularity ratings in the high seventies and eighties, some kind of unspoken decision was made to lay off.

I think journalism has a lot to account for as a result of this failure of will. By allowing a kind of social Darwinism—a.k.a. Reaganism—to go mostly unchallenged on the one hand, and by failing on the other hand to adequately expose the inane contradictions of supply-side theories, a.k.a. Reaganomics, I believe journalism deserves some of the blame for ills that now afflict us. I think journalism is also in part responsible for a default of the national spirit that recently has allowed a meanness to spread through the land.

What caused journalism to abdicate its responsibility in the eighties? Was it a function of exhaustion? Of fear? Of simple distraction? Probably a measure of each.

After the turmoil of the Sixties, the strains of Vietnam, the shock of assassinations, the tensions of the Cold War and the treacheries of Watergate, who wouldn't be tired?

And as readership began to shrink, and advertising dollars disappeared, who wouldn't be afraid to challenge the most popular President in memory?

Certainly there were distractions aplenty, as well. A kind of Gresham's law—or was it Murdoch's?—saw bad journalism chasing out the good in the scramble for ratings and readership. On the morning news, a new breed of elbow-in-the-ribs performers took over the airwaves. In the afternoon and evening, the Rush Limbaughs and Bob Grants and other big mouths of the far right took over talk radio.

Meanwhile, in America's videocracy the talk shows stooped to conquer the ratings as Maury and Montel and Sally Jessie and Phil and Geraldo engaged in mortal combat over who could produce the most shock or schlock. Last Sunday night, "CNN Presents" devoted an hour to deploring what is called "The Media Circus" and its obsession with the O.J. Simpson trial in particular. At the end of the hour, Judy Woodruff announced the topic for next Sunday's "CNN Presents." You guessed it, O.J. Simpson.

Meanwhile, other Sabbath fare is offered weekly by Morton and Sam and Eleanor and others of God's little wiseacres as they yell their opinions at one another. The jeering jabberers of journalism, my most unfavorite vice president might have called them.

All these trivial pursuits left their tracks on mainstream journalism, as well. Newspapers and magazines began to gibletize their contents, in imitation of U.S.A. Today. There were weeks when the assorted short subjects that fill the opening sections of Time magazine ran on so endlessly that few stayed around for the feature. And more and more the pressure grew to produce stories with an attitude, an edge, a spin, a barb. After all, by the time a piece appeared in print, hadn't everyone already seen it on television?

So zap it up, guys!

A small but telling case in point appeared not long ago on the front page of the New York Times, a story about President Clinton's visit to Oxford. The president, reported the Times, "returned today for a sentimental journey to the university where he didn't inhale, didn't get drafted, and didn't get a degree."

Zap!

Having withdrawn from the field in the eighties, it appeared that journalists were returning to the fray in the nineties—with a vengeance, and with a chip on the shoulder. In the cynical new journalism that resulted, it seemed there was an unkind cut for almost anyone in public office, and little sense that any public policy was much worth pursuing. A recent New Yorker piece by Adam Gopnik used these terms, among others, to describe the new curled-lip school of journalism: malicious, self-righteous, mean, shameless, sanctimonious, belligerent, aggressive, disingenuous, nasty.

We're not all that way, thank goodness. In her eloquent farewell column in the Times, Anna Quindlen said that twenty years in the news business had left her not more cynical but more idealistic—and anyone who knows Anna knows that to be the case. Hear these final words she wrote: "Those who shun the prevailing winds of cynicism and anomie can truly fly."

Someone has said that, "One of the best ways of understanding journalism is having it done to you." Well, I've had it done to me a bit, and the only thing worse than having it done to you is not having it done to you.

In the process of organizing the "Save Our Cities" March on Washington in 1992, I spent months trying to whomp up media interest in the event. As I described how mayors in cities from coast to coast were organizing for the march, reporters and editors would look at me as if I was out of my mind. One day Mayor David Dinkins held a press conference on the steps of City Hall calling on New Yorkers to go to Washington and protest against the urban policies of their national government—Republican White House and Democratic congress alike.

To make sure he would get coverage, the mayor specified that this call to action would be his only press event that day. Hundreds of people showed up—leaders from labor, business, government, the churches, the neighborhoods of New York. Now, I would have thought that the very fact that the mayor was calling on New Yorkers to march against their national government might quality as news. But not a line appeared in any newspaper, and not a second on the air.

In the event, 250,000 people joined that march on Washington—apparently too good to be true. The New York Times printed an absurdly low-ball crowd estimate of 30,000 provided by a highly biased source—the National Park Service, a branch of the very government against which those quarter of million people were protesting! By accepting that low crowd estimate the Times almost forced itself to put a negative spin on the story.

In this age of journalism with a sneer, not only are events too often covered in this negative way. Many good stories get no attention at all. As chairman of the Citizens Committee for New York City, I see it all the time.

I think of a conference of 1,500 school kids who spent a whole Saturday discussing how to improve New York City's schools. Hardly a line of coverage.

I think of the 1,000 neighborhood leaders who gathered on another Saturday, a beautiful spring day, to swap advice on how to fight crime and drugs and make their neighborhoods safer and more beautiful. Not a line in print, not a second on the air.

I think of a town meeting that gathered 300 leaders from every segment of New York, to discuss the city's problems. Not a peep from the press.

As an officer of Columbia University for the last fifteen years, I think of the recent inauguration of a new president of Barnard College, a stirring event attended by scores of academic leaders from around the country and abroad.

Total silence from the news media.

It seems to me that journalism, my old love, just may have become part of the problem.

Journalists like to say that if you are being attacked from all sides you must be doing something right. It has also been suggested that if you are being attacked from all sides it's possible that you are doing everything wrong.

I hasten to add that this is not the case at all. For even in this age of cynicism and trivialization some excellent journalism is being done. We still see moving pieces, particularly in our newspapers, about homelessness and violence and teenage crime, all well reported and thoughtfully analytical.

A notable case in point was the New York Times's recent pieces on teenage violence, which ended with a thorough exploration of possible solutions. But the editor in me cries out: how can anyone be expected to keep track of a series that began last May and ran sporadically to December? Beats me.

It's in the area of problem-solving that I think journalism ought to start changing its ways. Too often, even worthy series concerning social problems leave out the final part—the part that offers up solutions. Says Davis Merritt, editor of the Wichita Eagle: "If we continue to insist that engaging actively in the search for solutions isn't part of our job, we will soon, in fact, have no job."

Merritt and his newspaper are at the forefront of an experimental movement that aims to engage citizens in public affairs. The Wichita Eagle and its editor have concluded that people are disenchanted with their institutions, and frustrated that their voices are not being heard. With public life apparently not working very well, Merritt and his Wichita colleagues have decided that the press now has the positive duty to "intervene in public life in the interest of strengthening civic culture."

How to do it?

In the case of The Wichita Eagle, the editors redesigned their political coverage in the last election to establish which issues were of real concern to citizens, and then forced the candidates to address those concerns—rather than just reporting on the tactical maneuvers of candidates or the machinations of political insiders. In 1992, the Eagle also launched its "People Project: Solving It Ourselves"—an effort to engage both readers and the paper itself in identifying community problems and exploring ways to solve them.

Every single day, for ten weeks in a row, The Eagle opened up its pages to a consideration of problems that were important to the community—with emphasis on seeking solutions from the citizenry. The response was electric. One measurable result was that in the fall of 1992 volunteerism in Wichita's schools increased by 32 percent.

Similar exercises in "public journalism" have been undertaken by papers in dozens of cities around the country—from Charlotte, North Carolina, to Dayton, Ohio to Bremerton, Washington. Here are a few examples:

The Detroit Free Press published a major series on violence done to children. It then launched its "Children First" campaign, which focused on this problem and also managed to raise half a million dollars to benefit local kids. The Detroit Free Press continues with ongoing coverage assisted by a panel of young people.

The Charlotte Observer determined that violence and discipline were the public's chief concerns about local public schools and developed a five-week series on those topics.

The Akron Beacon-Journal won a Pulitzer Prize for its five-part project, "A Question of Race." The newspaper convened focus groups; it analyzed the continuing social and economic disparities between blacks and whites; it invited local organizations to establish projects addressing race relations; it hired experts to coordinate the resulting plans. In the end, 22,000 Akronites responded to a newspaper coupon that invited them to join the fight against racism.

You will observe that such media capitals as New York, Washington, Philadelphia and Los Angeles are notable by their absence in this little sampling of public journalism in its experimental stages.

The reason is simple. Getting involved in things, as public journalism demands, is anathema to many journalists who grew up—as I did—in the belief that journalism and its practitioners must operate as a breed apart. In the words of Professor Jay Rosen of New York University, a godfather of the concept of public journalism: "Traditionally journalists worry about getting the separations

right: the separations between themselves and the political community; between news and editorial; between facts and values; between information and their beliefs." Professor Rosen then makes this radical point: "The challenge . . . is how to get the connections right, because the connections are what's faltering."

To many journalists, this concept of connecting, and getting involved, is an act of heresy—so wedded are they to the idea of detachment and uninvolvement and even an unconcern about the consequences of what they write or report. This chilly remove is what Fred Friendly calls the Werner von Braun theory of journalistic responsibility: "I just shoot the rockets up into the air; where they come down is not my concern."

Many journalists insist that detachment gives them credibility—but the sad fact is that they enjoy very little credibility as it is, ranking way down there is public trust with the used-car salesmen. A recent Times-Mirror poll found that 71 per cent of the American people think that journalism, instead of helping solve the nation's problems, gets in the way of finding solutions.

Time, I think, for us journalists to change our ways—not by becoming advocates of particular policies but by helping the public gain confidence in its own ability to reach consensus and solve problems. It's time for journalism to abandon cynicism, to uncurl its lip and to become a fair-minded participant and catalyst in America's decision-making process. It's time for journalism to help public life work better.

Here's one way.

When municipal elections take place next Fall, a project called City Vote will simultaneously hold presidential primaries in fifteen or twenty cities. The object is to force the candidates to address urban issues at the very beginning of the presidential campaign. It's an ideal opportunity for journalists in Boston, Houston, Spokane, Minneapolis, St. Paul, Baltimore and other participating cities to facilitate the discussion, and to force candidates to address the issues that matter to the voters. A fine opportunity for publishers and editors to sponsor public forums, to open their pages to debate to nudge the public dialogue along.

The kind of involvement I am thinking about has to do with exploration and inspiration. It calls to mind a favorite prose poem.

As I recite this little piece by Christopher Logue, think of it as a conversation between the new journalist and his public. It's an exchange that suggests how, by getting involved ourselves, we might begin to inspire others to get involved. It also suggests how my long romance with journalism might ultimately be restored.

Come to the edge.
It is too high . . .
Come to the edge!
We will fall . . .
COME TO THE EDGE!!!
. . . and they came
. . . and he pushed
. . . and they flew.●

ORDERS FOR TOMORROW

Mr. HATCH. Mr. President I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m., on Friday, February 3, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, and the time for the two leaders be reserved for their use later in the day; that there then be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak for not more than 5 minutes each, with the following Senators permitted to speak for up to the designated times: Senator BOND for 10 minutes, and Senator HUTCHISON for 10 minutes.

I further ask consent that at the hour of 10 a.m., the Senate resume consideration of House Joint Resolution 1, the constitutional balanced budget amendment.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. HATCH. Mr. President, if there is no other business to come before the Senate, and no other Senator is seeking recognition, I now ask consent that the Senate now stand in recess under the previous order.

There being no objection, the Senate, at 6:08 p.m., recessed until tomorrow, Friday, February 3, 1995, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Thursday, February 2, 1995*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. DREIER].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 2, 1995.

I hereby designate the Honorable DAVID DREIER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the gifts of prayer, O gracious God, be with us and each person; may the petitions of our hearts find satisfaction in our lives; may the longings and yearnings of our very being find fulfillment in that peace that You alone can give; and may the hopes and dreams we place before You, O God, allow us to experience reconciliation and grace with You and with our own destinies. Bless us, O God, this day and every day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from South Carolina [Mr. SANFORD] come forward and lead the House in the Pledge of Allegiance.

Mr. SANFORD led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

REPUBLICAN CONTRACT WITH AMERICA

(Mr. BOEHNER asked and was given permission to address the House for 1 minute.)

Mr. BOEHNER. Mr. Speaker, our Contract With America states the following: On the first day of Congress, a Republican House will:

Force Congress to live under the same laws as everyone else; cut committee staffs by one-third; and cut the congressional budget.

We have done that.

It goes on to state that in the first 100 days, we will vote on the following items: A balanced budget amendment—we have done this; unfunded mandates legislation—we have done this; line-item veto; a new crime bill to stop violent criminals; welfare reform to encourage work, not dependence; family reinforcement to crack down on deadbeat dads and protect our children; tax cuts for families to lift Government's burden from middle-income Americans; national security restoration to protect our freedoms; Senior Citizens' Equity Act to allow our seniors to work without Government penalty; Government regulation and unfunded mandate reforms; commonsense legal reform to end frivolous lawsuits; and congressional term limits to make Congress a citizen legislature.

This is our Contract With America.

COUPLE LINE-ITEM VETO WITH ELIMINATION OF TAX GIVEAWAYS

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, today we will begin an important bill that once again my friends on the other side of the aisle have almost gotten right. Giving the President the line-item veto authority is important but again the bill we are debating today omits an element critical to making this legislation true and effective. They are more than willing to allow the President to eliminate spending, but they seem to be more than a little nervous about allowing the President to eliminate unfair tax giveaways. I want our President to stand against wasteful spending. But he should also be able to stand up against unfair tax breaks for the wealthy and the privileged.

If the President can eliminate spending with the stroke of a pen, let us give him the authority to eliminate tax giveaways that cheat working people, drain our treasury, and pile up our debt with that very same pen.

If my colleagues are serious about this reform, let us make it a serious reform that addresses our serious problems, not a pretend reform hiding a huge tax loophole for the powerful and the privileged.

REPUBLICANS ARE DELIVERING

(Mr. FOX of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOX of Pennsylvania. Mr. Speaker, I thought you might be interested in some voting statistics from the first month of the 104th Congress. In the month of January, we had 79 rollcall votes. Compare that to last January, when we only had 2 rollcall votes, and in January 1992 when we only had 11 rollcall votes.

What do these statistics mean? They show that the Republican majority is serious about getting down to work and passing our Contract With America. We are committed to working hard to keep our promise with the American people. Congressional accountability, balanced budget amendment, unfunded mandates reform—all done. Next up is line-item veto, crime bill, welfare reform, national defense bill, middle-class tax cuts, term limits. We won't stop until we're through.

If the people want to know if the Republicans are delivering, just look at what we have accomplished in 1 month.

RAISING INTEREST RATES PUTS RECOVERY AT RISK

(Mr. HINCHEY asked and was given permission to address the House for 1 minute.)

Mr. HINCHEY. Mr. Speaker, yesterday, for the seventh time in the last 12 months, the Federal Reserve—meeting in a closed-door session—raised the interest rates and gambled on the economic future of the middle-class American.

Over the past year, the Federal Reserve has acted out of fear of a phantom inflation that does not exist.

The constituents of my district, and the working families of this Nation, are struggling to be a part of the economic recovery.

Inflation is at a 30-year low, but working Americans will now suffer under an interest rate double that of the same time last year.

Over the past year, there has been no significant increase in salaries or buying power, but now the Fed is depriving middle-class taxpayers of the buying power necessary to participate in the economic recovery.

The Fed's rate increase is going to hit working Americans when they pay their mortgage, it is going to hit working Americans when they pay their credit card bills, and it is going to hit

working Americans when they need to buy cars.

Today, I call on the Federal Reserve Board to end this ongoing crusade against a phantom inflation—tilting at windmills that do not exist.

The fact remains that the economy is not overheating and millions upon millions of Americans are still out of work. The Federal Reserve was wrong to raise rates and has put economic recovery at risk for working American families.

YET ANOTHER VICTORY

(Mr. CHRISTENSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHRISTENSEN. Mr. Speaker, yesterday ushered in just one more victory for the American people. We passed the unfunded mandates reform legislation by an overwhelming bipartisan vote of 360 to 74. Once again, we have kept our promise with the people through our Republican Contract With America. Again, we fulfilled our promise with the State and local governments to lift the financial burden imposed on them by the Washington bureaucrats.

We will continue to deliver change today as we begin debate on the line-item veto. This bill is yet another mechanism to reduce the size, scope, and cost of the Government. And more importantly, this bill is yet another step toward the completion of the Contract With America.

We are working hard. We are keeping our promise. We are changing Government.

FED'S ACTION DISSERVICE TO WORKING AMERICANS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, the Federal Reserve Board yesterday did a terrible disservice to working Americans when for the seventh time in a year it raised interest rates.

American homeowners will now get $15 billion of additional mortgage costs charged against them because of this increase. Half of the homeowners in America will get an envelope shortly from their lending institution telling them that their monthly mortgage rate has gone up because of these actions by the Federal Reserve. Those people shopping for a car this weekend will find the cost of financing that automobile has gone up because of the Federal Reserve. Carpenters, plumbers, electricians, and others who work in the homebuilding industry and the construction industry will find it harder to find work throughout the year because the cost of homebuilding has gone up, the cost of construction has gone up, and the cost of small business expansion has gone up because of these actions taken in secret by the Federal Reserve.

American workers deserve better and the Federal Reserve ought to recognize that the wages of American workers are under pressure from workers around the world, and they ought to understand that inflation is different today than it was yesterday.

□ 1010

DOING THE PEOPLE'S BUSINESS

(Mr. JONES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES. Mr. Speaker, under Republican leadership, the House is working hard to change the way we do the people's business.

Yesterday, we passed an unfunded mandate reform bill, which will make it harder for the Federal Government to tell the American people what to do without paying for it.

Today, we take up the line-item veto, which will make it more difficult for Congress to pass wasteful pork-barrel spending projects.

Mr. Speaker, in the last election, the American people said they wanted change.

They said they wanted a more efficient and smaller Government that cost less, spent less, and did fewer stupid things.

We have heard that message, and in a bipartisan fashion, we are working hard to make those changes.

I urge my colleagues on the other side of the aisle: Let's not bicker and nitpick. Let's not unnecessarily slow down the process for purely partisan reasons. Instead, let's give the American people the kind of Government they really want. Let us work together to complete the Contract With America.

INTRODUCTION OF LEGISLATION TO AUDIT OPERATIONS OF THE FEDERAL RESERVE SYSTEM

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I rise to inform my colleagues of legislation that I am introducing to audit the operations of the Federal Reserve System, including the Reserve Board, the Advisory Council, the Open Market Committee, and the Reserve banks.

Mr. Speaker, yesterday, the Federal Reserve again raised short-term interest rates. In a 2-day meeting behind closed doors the Federal Open Market Committee raised the rate by a half point. For the seventh time in a year the Fed has seen fit to slow our growing economy and raise interest rates to the highest point since 1991. To paraphrase Senator Dirksen, a half point here, three-quarters of a point there, and pretty soon we are talking about real interest.

Immediately after the Fed's announcement, major banks across the country raised their prime lending rate to 9 percent, forming an even bigger roadblock for those wanting to buy into the American dream of home ownership.

Mr. Speaker, I would like to know, as I am sure many of my colleagues would like to know, what crystal ball the all-knowing Federal Reserve Board uses so they can keep inflation contained when most economists believe that inflation is under control. That is why we need an audit, and that is why I have introduced this legislation. I ask my colleagues to join with me by cosponsoring this legislation so that we too can look behind those closed doors.

TERM LIMITS

(Mr. SANFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANFORD. Mr. Speaker, I rise before you and the rest of this body to ask for term limits in general, and to ask specifically that this body push for the English-Dornan-Sanford amendment particularly.

If we look at term limits, they are building blocks toward getting a citizen-filled legislature that this country so desperately needs. One of the reasons I think we need them so desperately is because, as I take this $20 bill out, I ask what is it each of us works for. Each of us works to put bread on the table.

If we view politics as our career, if we view politics as a way to put bread on the table, we often are making decisions that are the opposite of what the American public would like us to.

So I ask again that we push for term limits in a general way and the English-Dornan-Sanford amendment, which is a three-term cap for Members in the House.

REPUBLICAN EFFORTS TO HIDE TRUE IMPACT OF CONTRACT TAX POLICIES

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, each day at the beginning of the session one of my Republican colleagues gets up with great piety and reads about the Republican contract. I know they are very proud of it, but they do not tell us the whole story.

The Republican Contract on America is a budget buster. Yesterday our Joint Tax Committee came up with an estimate of what it will cost the Treasury for the Republican tax cut package: a little less than $200 billion in the first 2 years, but in the following 5 years, over $700 billion more. For what? For tax cuts for the wealthiest of Americans.

The Republican contract does not stand up for American families, it stands up for the monied interests, the fat cats. At a time when we should put the fat cats in America on a diet, the Republican contract puts them on the gravy train.

REMEMBERING THE WORDS OF A GREAT PRESIDENT

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, just over 14 years ago, Ronald Reagan was sworn in as President on the West Front of this building.

His remarks that day were brief, but exceptionally stirring and profound. I recall one paragraph that is as timely now as on that inauguration day. The words speak to the motives and goals of the Contract With America and are superior to my own.

He said:

> You can see heroes every day going in and out of factory gates. Others, a handful in number, produce enough food to feed all of us and then the world beyond. You meet heroes across a counter—and they are on both sides of that counter. There are entrepreneurs with faith in themselves and faith in an idea who create new jobs, new wealth and opportunity. They are individuals and families whose taxes support the Government and whose voluntary gifts support church, charity, culture, art, and education. Their patriotism is quiet but deep. Their values sustain our national life.

Mr. Speaker, Ronald Reagan will be 84 on Monday, and on that day this House is going to give him a birthday gift, something he has wanted for a long time: the line-item veto.

THE SECRET BEHIND THE REPUBLICAN STRATEGY

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. speaker, one of those embarassing genies popped out of the bottle last night when NBC–TV revealed the secret behind the Republican leadership strategies when the playbook was opened to public scrutiny, and the strategy described might be a little scary to Americans looking for true change.

Apparently, according to the Republican leadership strategy, it is all in the wording. You do not like what you are doing, call it something else. Americans believe, according to this playbook, that the GOP is mean and uncaring. That will not do, so how do you handle it? Do not talk honestly about the programs you are going to cut that actually serve people, instead talk about slashing bureaucrats.

If your aim is to cut the capital gains tax for the wealthy, do not say wealthy, talk about helping the middle class.

And as the playbook says, the media is watching what comes first.

The cynicism suggested in the revelation of this confidential memo will leave a sour taste in the mouths of most Americans and it should. It is time for the GOP to stop sugar coating their actions with rhetoric and bumper stickers and honestly explain to the American people what their aims are.

INTEREST RATES

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, the effects of interest rate increases take time to show up in the economy. It was only 2 months ago that the Fed increased rates three-quarters of 1 percent and only 5 months since it raised rates by a half percent.

The Fed raised interest rates another half percent yesterday. It was the seventh increase since the beginning of 1994. The economy grew well in the fourth quarter of last year, but we are beginning to see signs of a slowdown.

Mr. Speaker, the Federal Reserve looks at the big picture, the nationwide, the worldwide picture, but ignores the little picture, our districts and our cities. Home builders will build fewer houses, realtors will sell fewer houses, car dealers will sell fewer new and used cars, and our constituents will be able to buy fewer of those cars.

This latest increase adds another economic burden to the people in my district in Houston as well as it does across the country. It means higher borrowing costs for consumers, higher costs for capital for small business and medium-sized businesses, and as the realtors have said, it puts the price of a down payment on a home out of the reach of many Americans.

It's time we started looking at the little picture.

PERSONAL RESPONSIBILITY ACT

(Mr. OLVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLVER. Mr. Speaker, soon we will debate the Personal Responsibility Act in the Republican contract. But let us be honest. It sounds more like the female punishment act. It spells out exact responsibilities and punishments for women on AFDC. But it lets fathers off the hook without even a mention. Many women and their children are on welfare only because the fathers do not support their children.

In my State in the last 6 months, 4,000 mothers escaped welfare because Massachusetts makes fathers support their children. We need to make child support enforcement part of welfare reform. Both mothers and fathers must be responsible for the support of children.

INTEREST RATES

(Mr. WARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WARD. Mr. Speaker, as we learned yesterday, the Federal Reserve has raised short-term interest rates for the seventh time in 1 year. I feel that this move was a drastic error in fiscal management.

While this move may aid the wealthiest investors on Wall Street, it will place an undue burden on the average American, forcing many to postpone plans of purchasing a new car or a new home. This sharp decrease in spending, which will inevitably result from the increase, could drive the economy into a recession.

Today's Washington Post, reported: "Higher rates are beginning to affect one of the strongest parts of the economy during 1994, the making and selling of new cars and light trucks." The automotive aspect of our Nation's economy is critical and I do not think that it is prudent fiscal policy to place this market in jeopardy.

Mr. Speaker, the average American family was dealt a hard blow yesterday and I only hope that Mr. Greenspan knows something that I do not know.

STOP PLAYING GOD IN THE MARKETPLACE

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, good morning, I rise today to object to people playing God in the marketplace.

It is amazing to me that some of the economists who claim to be such free traders and such believers in the free marketplace would intervene in our economy a record seven times in the past year. They have consistently increased interest rates to the detriment of the American consumer.

Now, while I understand that some restraint and some interest rate increases are in fact necessary, it seems to me the Fed ought to at least wait and see the effect of this last interest rate increase.

I can tell you about the effect of their current rate increase: Variable

rate mortgages will increase. The consumer will be harmed. Credit card balances will increase. The consumer will be harmed. Car purchases will become more expensive. The most thriving part of the American economy will be jeopardized.

Mr. Speaker, there are other considerations. We are down here talking about people ought to go to work. Well, the effect of the raise in the interest rates is that there will be less jobs for those on welfare and those we want to encourage to work.

We also say people ought to save more. There will be less saving because of the higher interest rates.

I wish people would stop playing God in the marketplace.

CHILD SUPPORT ENFORCEMENT

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, today it gives me pleasure to rise and voice my opinion on child support enforcement as it relates to the welfare reform.

Child support should be a centerpiece of any welfare reform measure which tends to assist welfare recipients in breaking the chain of poverty and entering into the work force.

In many instances child support could be preventive welfare support. If more noncustodial parents paid child support, some families could avoid welfare dependence altogether.

A comprehensive child support provision is essential to resolving the welfare crisis in this country.

Today almost 63 percent of absent parents contribute no child support to their children's welfare. All children have two parents. Therefore, we must require that both parents live up to their responsibilities and obligations. Ignoring child support enforcement would send the wrong message.

We would require young mothers to be responsible, while giving fathers a free ride; 1 in 4 children presently live in single-parent homes without strong child support enforcement. Many of these children will not have the support they need and deserve. We must do everything possible to rectify this terrible problem.

THE FEDERAL RESERVE DID IT AGAIN

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, well, they did it yesterday. The Federal Reserve secretly met to raise interest rates, and in so doing raised the cost of living for every American family.

Connecticut, my home State, has just emerged from the recession, and working people were just beginning to feel more confident again. But the Federal Reserve dashed those hopeful feelings, and they stole that sense of confidence from the people that I represent. The promise of an improving economy and all that means for working families in this Nation has been dashed by the Federal Reserve's action.

I meet with my constituents every Saturday morning at supermarkets all over my district, and on many occasions they have asked me to stand in their shoes, to understand their pain, feel their hurt.

Well, today I pass that advice on to Alan Greenspan and the Federal Reserve. Come out of the secret meetings, leave the hallowed boardrooms of Wall Street and visit the living rooms of West Haven and Hamden, CT. Take the challenge my constituents have given me. Walk in their shoes before you do this again.

LINE ITEM VETO ACT

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 55 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 55

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 2) to give the President item veto authority over appropriation Acts and targeted tax benefits in revenue Acts. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed two hours, with one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform and Oversight and one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Rules. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committee on Government Reform and Oversight and the Committee on Rules, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying this resolution. That amendment in the nature of a substitute shall be considered as read. Points of order against the amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my respected friend and colleague, the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this historic 104th Congress has been in session for less than 1 calendar month, a period that in Congresses past saw little legislative progress; lots of talk maybe, but very little action unless you count travel. But with the brisk winds of change at our backs and the unmistakable call for fiscal discipline still ringing in our ears from the American people we work for, we are on our way toward fullfilling our Contract With America and were moving a lot faster than the other major event in this country, the O.J. Simpson trial. We have already passed an historic balanced budget amendment and landmark legislation to curb unfunded Federal mandates.

Today we draw the third side of this powerful triangle of reforms to restore fiscal sanity to this institution and to our Government. The line-item veto proposed in H.R. 2 is a real line-item veto, with the type of teeth many of us know are necessary to bring about greater fiscal discipline. It puts the emphasis on saving. It makes it harder to spend taxpayers' money. It increases accountability and it forces the White House and the Congress to work together on controlling the Federal budget.

□ 1030

It is fitting that we consider the line-item veto under a wide open rule and this is a wide open rule. This is a serious discussion about reining in Federal spending, restoring accountability to the congressional budget process, and balancing the powers of the executive and legislative branches of Government. This topic deserves the full benefit of the deliberative democratic process our Founding Fathers envisioned for this House. I am proud to offer my colleagues this wide open rule, one that allows any Member to be heard on issues of concern. I would also like to point out, Mr. Speaker, that we have not only created an open rule, an open rule-plus, but we have several days of time for this issue to be debated on the floor, on the Calendar, and brought to

some kind of a resolution. We have, I think, compared to past attempts to discuss this issue, gone way over the edge in terms of scheduling latitude. We have 3 legislative days in front of us compared to really hours only in the past when we debated this issue. And I point out that in those legislative days we also have a weekend which is available for work if necessary.

At this point I understand we have 31 amendments out there which have been filed under the option of prefiling, and no doubt we will be hearing other amendments under the 5-minute rule because we do have one very important issue on policy and a whole lot of other issues on precedents.

This rule makes in order as base text for the purpose of amendment a substitute that reflects the combined, bipartisan work of the Committee on Government Reform and Oversight, Chairman CLINGER and the gentlewoman from Illinois, Mrs. COLLINS, and the fine work that they have been doing, and the Committee on Rules.

I was pleased to hear the ranking member of the Government Reform Committee, Mrs. COLLINS, express her appreciation to Chairman CLINGER for the fair treatment the minority received in his committee. I hope the minority members of the Rules Committee felt they too had a fair chance to be heard. The spirit of bipartisanship we have seen on this legislation—even as some clearly do disagree on how far a line-item veto should go—has been particularly refreshing and gives me great hope. In the course of the committee process, we consulted frequently with the Parliamentarian's Office for guidance about matters of germaneness, scope, and jurisdiction and given the technical nature of some provisions, even the experts were not always in agreement on some of the processes here. For that reason, this rule does include a precautionary waiver for clause 7 of rule XVI, which prohibits nongermane amendments. While this Member and our new committee leadership are generally hesitant to waive standing rules, because of the conflicting advice from the Parliamentarian's Office during the committee process, important language was included in H.R. 2 to give the President the option to propose that savings from his line-item veto be applied toward deficit reduction.

While this language may technically have been nongermane to the bill as written, I would think most Americans—and certainly most Members I hope—see the goal of cutting the deficit as highly germane to the subject of line-item veto. If we are going to take this step to give the President the authority to cut or reduce spending—or targeted tax benefits—we should also provide the option that the money be saved rather than spent elsewhere. The rule provides 2 hours of general debate, and then opens the bill to amendment under the 5-minute rule. We have included in this rule the encouragement for Members to have their amendments preprinted in the RECORD. This is not a requirement—but it is something all Members might want to consider doing. Even the distinguished Member from West Virginia [Mr. WISE], who has had much experience in this House, I am told found the need for a technical correction to an amendment he wishes to offer through this voluntary preprinting process. So it is beneficial it simply gives Members and the Parliamentary experts alike a chance to review the language, understand the implications, and run the traps on the technical pitfalls. In my view, this type of rule should be called an open-plus rule, because it offers Members a mechanism to better prepare themselves for the floor and the debate. This is a bonus to deliberative democracy, it is not a hindrance. I urge my colleagues to support this rule.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from California [Mr. BEILENSON] is recognized for 30 minutes.

Mr. BEILENSON. Mr. Speaker, before I speak on the rule, I yield such time as he may consume to the gentleman from Mississippi [Mr. MONTGOMERY].

(By unanimous consent, Mr. MONTGOMERY was allowed to proceed out of order.)

VA ACTIVATES HELP LINE FOR PERSIAN GULF VETERANS

Mr. MONTGOMERY. Mr. Speaker, I am pleased to announce that today the Department of Veterans Affairs is activating a toll free help line for the Persian Gulf veterans who are concerned about their health. The number is 1–800–PGW–VETS.

Mr. Speaker, this help line will be staffed from 7:30 in the morning until 8:30 at night. We also expect any day now the final regulations to be published which will guide the VA in paying compensation to Persian Gulf veterans with chronic disabilities due to "We cannot diagnose what the problem is."

So the veterans of the Persian Gulf who have problems with their health, there is now a toll free number and certainly they should call it.

This assistance is in addition to the priority health care VA already provides to Persian Gulf veterans and the comprehensive research that is being conducted to find the causes of these undiagnosed illnesses.

I take great pride in being the author of the legislation we passed last year, which President Clinton signed last November. We must do all we can to help our Persian Gulf veterans and all veterans who are sick or disabled.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Florida [Mr. GOSS] for yielding to me.

Mr. Speaker, although we have very serious concerns about the bill this rule makes in order, we do support the rule itself. It is an open rule, as the gentleman from Florida has well put it, so all Members will have the opportunity to offer any amendment which is in order under the standing rules of the House.

Mr. Speaker, because the rule provides for 2 hours of general debate, there will be ample time to discuss the ramifications of this legislation.

H.R. 2 is a very important piece of legislation, and we appreciate the fact that this rule will give the House the chance to fully air the problems many of us have with it, and to debate alternative versions and modifications.

However, I do want to restate for the membership the concerns that the gentleman from Massachusetts [Mr. MOAKLEY], and other Members and I raised about the preprinting provision in the rule at the Rules Committee meeting yesterday.

This provision allows the Chairman of the Committee of the Whole to give priority in recognition for the offering of amendments to Members who have had those amendments printed in the CONGRESSIONAL RECORD before today. Its purpose and a good one is to encourage Members to give notice of their intent to offer an amendment, without actually requiring them to do so.

A similar provision was included in the rule for H.R. 5, the Unfunded Mandate Reform Act. What we found during consideration of that bill is that the Chair tended to recognize the majority floor leader and manager over Members with preprinted amendments—and that is certainly within the Chair's discretion, but it caused some confusion among the membership.

In addition, Members offering amendments were not sure if they should proceed with amendments which were not preprinted if there were still other amendments pending which had been preprinted. And, there was some uncertainty about whether Members would be recognized at all if they had not had their amendments preprinted.

The priority recognition provision, I think, adds unnecessary confusion and complication to the amending process. It is not always going to be feasible to have an open rule, but if we are going to have what we call an open rule, we would much prefer having an old-fashioned, unfettered open rule.

I might add that we also hope that there is no effort at any point during consideration of H.R. 2 to limit debate time on any of the amendments Members wish to offer.

I know that that is the intention of our friends in the majority, but we express that hope nonetheless.

Mr. Chairman, I would like to take just a few moments to highlight the concerns that many of us have about

the bill that this rule would make in order.

While we all agree that reducing Federal budget deficits is one of the most important tasks facing the Nation, and that Congress and the President should have the necessary tools to accomplish that task, many of us do not believe that H.R. 2, as reported from the Rules Committee and the Government Reform and Oversight Committee, deserves the support of the House.

Under H.R. 2, the President's proposed rescissions or targeted tax benefit repeals would automatically take effect unless the Congress specifically passes a resolution disapproving those proposals. Even if Congress overturned the President's action the President could then veto the disapproval which, in turn, would have to be overridden by two-thirds of both Houses of Congress.

Thus, the President would be empowered to cancel any spending or tax benefits with the support of only a minority of the Members of either House. A one-third plus one minority working with the President would thus control spending.

This procedure would result in a dramatic—and possibly unconstitutional—shift in responsibility and power from the legislative branch to the executive branch. This broad shift of power could easily lead to abuses. The President could target the rescissions against particular legislators, or against particular regions of the country, or against the judicial branch e.g. This power could be used to force the Congress to pay for a pet Presidential project, or to agree to a policy that is completely unrelated to budgetary matters.

Furthermore, we would be transferring this immense amount of power to the President with little reason to believe that it would have much of an effect on the Federal budget deficit.

This new line-item veto would be used primarily for discretionary spending—spending which is appropriated annually.

□ 1040

However, discretionary spending, as Members well know, which accounts for just over one-third of the Federal budget, is already the most tightly controlled type of spending. Discretionary spending is reviewed and approved each year, and is subject to strict spending caps. In fact, programs funded in this manner normally must go through two processes in Congress: authorization and appropriation.

Discretionary spending has been declining both as a percentage of the total Federal budget, and as a percentage of GDP, for the last several years. Additional controls on this area of the budget will not accomplish much, if anything, in the way of deficit reduction.

In fact, our efforts to institute additional mechanisms to control appropriated spending have distracted us from dealing with the area of the budget which has been growing at a rapid rate, and is far more in need of additional control than, of course, is entitlement programs. Programs comprising this type of spending do not require annual—or even periodic—approval, and are not subject to spending caps.

Providing new rescission authority for discretionary spending, but not for entitlements or other types of non-appropriated spending, will further distort the budget process so far as control of different types of spending is concerned. If our goal is truly to establish more safeguards against increases in spending, we ought to be looking at ways to establish more controls for the 63 or 64 percent of our spending that is not subject to the annual appropriations process.

In addition, discretionary spending is an area of the budget where Presidents have wanted more spending than Congress has approved. According to the Office of Management and Budget, from fiscal year 1982 to fiscal year 1993, Congress has appropriated $59 billion less than the Presidents during those 10 or 11 years. In addition, over the last 20 years, Congress has rescinded $20 billion more than the Presidents have requested in rescissions.

If those patterns continue, and the President is given greater leverage in the appropriations process. It is likely that he will or she will use the rescission process—the new line-item veto authority—as a threat to secure appropriations for programs that the President wants enacted, rather than to reduce total spending.

Mr. Speaker, the other type of spending H.R. 2 covers is targeted tax benefits. However, the bill's narrow definition of "targeted tax benefit" ensures that little will be achieved in the way of deficit reduction by that provision. The vast majority of tax breaks—worth hundreds of billions of dollars—would remain immune from the President's power to repeal. However, we can rectify that matter by expanding the definition of targeted tax benefit by adopting the amendment that will be offered by the gentlewoman from New York [Ms. SLAUGHTER] and the gentleman from Wisconsin [Mr. BARRETT].

Most importantly, during consideration of this bill, we will have the opportunity to choose a different form of rescission—one that will be a very effective mechanism for making further reductions in spending, without providing for a dangerous and unwise transfer of power to the executive branch. That is the expedited rescission proposal that will be offered by Messrs. WISE, STENHOLM, and SPRATT.

The Wise-Stenholm-Spratt proposal would permit the President to propose to rescind all or part of any discretionary spending, or to repeal any targeted tax provision, passed by Congress. The critical difference between this proposal and H.R. 2 is that a rescission or repeal could only be enacted by approval of both Houses of Congress. Thus it maintains Congress' constitutionally mandated power of the purse, and avoids transferring an unwarranted amount of power to the President. At the appropriate time, I strongly urge Members to support this alternative to H.R. 2 as reported.

Mr. Speaker, once again, I want to express my support for this open rule, and urge my colleagues to support it.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, the previous speaker, who I have great respect for, a good friend, has inferred that this line item veto only affects one-third of the Federal budget; in other words, discretionary spending. He is right, one-third of the Federal budget, and how much is that? It is not just $500,000. It is not just $5 million. It is $500 billion; that is one-third of the Federal budget. Where I come from, as my colleagues know, that is a heck of a lot money.

The gentleman from California [Mr. BEILENSON] is somewhat critical of a preprinting suggestion, and yet a very prominent Democrat from his side of the aisle filed an amendment so that he would have priority in offering his amendment. Lo and behold, the Parliamentarian found a flaw in that amendment, and it is a very significant amendment which should be debated on the floor, but because of preprinting he was able to correct the flaw and prefile another amendment. So it benefited him, a Democrat from the gentleman's side of the aisle, and that is the reason we did this.

Now let me just get back to the bill for a minute. As my colleagues know, Mr. Speaker, this is just one of the proudest days of my life since this is the first time this House has ever considered a reported bill on the line item veto. Oh, we have had plenty of votes before on this proposal, but always as an amendment to another approach, a watered-down version which always was opposed by the majority leadership. In other words, in the past the leadership on the Democrat side has always put forth a bill which was a watered-down version, and that meant that those of us that believe in a real line item veto then had to fight to offer an amendment to strengthen it. And I say, "That puts you at a tremendous disadvantage."

This time we do not have that problem. Now the real line item veto is on the table, and it is up to those in opposition, the big spenders, to try to water it down. But we are not going to let that happen.

I am proud to say that this bill has been properly reported by two committees of this House, one of which I have the privilege of chairing. Moreover, it has the full support of the majority leadership. In fact, this is one of the major promises made in our Contract With America which was authored by our current majority leadership, the Speaker and the majority leader. And I am sure the American people are pleased to see that we are keeping our promises in that contract, especially on this line item veto bill which has always enjoyed the support of 70 percent of the American people, 70 percent.

I am also pleased that we were able to bring this to this floor under a completely open rule allowing all Members, be they Democrats or Republicans, be they liberals or conservatives; they are going to have the opportunity to participate and work their will on the floor of this House, and that is the way it should be.

This bill does enjoy bipartisan support in this Congress and by the administration. One of the leaders on the Democrat side of the aisle, the gentleman from Mississippi [Mr. PARKER], has fought long and hard to have a real line item veto enacted into law.

We have already seen the deliberative process at work in the two committees of jurisdiction. Amendments have been offered and adopted to strengthen and improve this bill, and I am sure that will continue to happen on this floor. That is what deliberative democracy is all about.

Mr. Speaker, a few years ago, when we first started pushing for the legislative line item veto, there were a few doubting Democrats who said,

> Solomon, it's easy for you to support the line item veto when your party controls the White House, but we bet you you won't be so gung ho for it if we have a Democrat President.

Well, here we are. We get a Democratic President, and here is SOLOMON up here fighting for the same line item veto for that Democrat President. I think this is something that a chief executive in government, regardless of political party, should have, just as 43 Governors of States have it, one of them being Governor Tommy Thompson of Wisconsin who has done a tremendous job of putting that State's fiscal house in order. In New York State we now have a Republican Governor, and he is now going to have that opportunity which was never exercised by a former Governor named Mario Cuomo, who left a $4 billion deficit in that State. But, Mr. Speaker, more than just saying that, I proved it by offering this true line item veto twice in the last two Congresses under Mr. Clinton's presidency. I only wish Mr. Clinton had supported me then as he is doing here today. We only lost that vote by a few votes both of those times; seven votes the last time, and it is going to be different this year.

I remember my hero, Ronald Reagan, pushing for the line-item veto for 8 straight years and getting absolutely nowhere. Back in 1986, in an address to the Nation President Reagan said, and I quote:

> No other single piece of legislation would so quickly and effectively put order back into our budget process. All that it would mean is that the President could selectively sign or veto individual spending items so that he wouldn't have to take the fat along with the meat.

□ 1050

No, the line-item veto is not a meat ax, as some would have us believe. Instead, it is a precision knife for doing just what President Reagan said it would do—separate the fat from the meat.

That is why the American people support this overwhelmingly, because they are fed up with pork-barrel spending by this Congress.

Mr. Speaker, I am not under any delusion that this is some kind of a panacea for deficit reduction. It is not. But it can make a significant difference in our spending habits and our deficit situation. And gosh knows, we need it. I think one of the greatest benefits will be the deterrent effect by discouraging us from slipping pork into our appropriation bills in the first place.

I understand the concerns of those who feel the line-item veto shifts too much authority to the President, and that it might somehow be abused or used for partisan or political purposes. I just happen to disagree with both of those arguments. I guess I have enough confidence in any President, regardless of political party, to use this new tool selectively and judiciously. No President in his right mind would want to create a major confrontation with the entire Congress by grossly abusing this authority. Even if a President were tempted to overstep the bounds of propriety, he would surely realize Congress would find ways to retaliate. And we know we can do that. It would be a no-win situation for any President.

In conclusion, Mr. Speaker, I urge the Members to support this completely open rule for the line-item veto that it makes in order. We have an historic opportunity this week to really do something for the American people. If we pass this and it becomes a statute, a law, coupled with the balanced budget amendment, we are going to turn around this sea of red ink which is literally ruining this country. For your children and my grandchildren alike, we have got to do something about it.

Mr. Speaker, I ask the Members to please support this rule.

Mr. BEILENSON. Mr. Speaker, we have always known that our friend, the gentleman from New York [Mr. SOLOMON], was a man of principle and integrity. He has proved it again by supporting this bill to give a Democratic President this kind of power.

For purposes of debate only, Mr. Speaker, I yield 3 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, I thank my colleague, the gentleman from California [Mr. BEILENSON], for yielding this time to me.

Mr. Speaker, like my colleagues on both sides of the aisle, I rise in support of this wide open rule on the line-item veto.

I want the Speaker to note that this rule for the line-item veto is wide open today. And I bet it will be wide open tomorrow. But on Monday, it is anybody's guess. The distinguished chairman of the Rules Committee has said that the rule will stay open unless he decides to close it. That is what worries me.

A bill that is open 2 days and closed on the third is not an open rule. A rule that does not allow Members of Congress to make amendments to a bill is closed.

Mr. Speaker, in addition to being wide open, today's rule on the line-item veto contains an interesting condition that we have seen once before. It suggests—but does not require—preprinted amendments in the CONGRESSIONAL RECORD.

Mr. Speaker, I have been a Member of this House for only one term and this is my third year, but I can tell you right now we do not need a rule to tell Members they can print amendments in the RECORD. The rules of the House take care of that for us. We only need a rule if they must print amendments in the RECORD.

I have been told this is for convenience sake but it is unnecessary.

And, in addition to being unnecessary, the preprint-if-you-want condition is confusing.

During debate on the unfunded mandates bill, which also had a preprint-if-you-want condition, the Chair recognized the majority floor manager before it recognized Members who had their amendments preprinted.

So, if preprinting does not get you recognized any earlier, and if this is truly a wide open rule, I would like to suggest to the Republicans that we dispense with this condition and do an open rule the way they used to define them.

But, even if we do not, a strange open rule is better than no open rule, and I support the open rule.

Mr. SOLOMON. Mr. Speaker, will my friend, the gentlewoman from North Carolina, yield?

Mrs. CLAYTON. Yes, I am glad to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I would just say this to the gentlewoman: She said that the chairman of the Rules Committee, that being me, has said he will close down this rule. That is not true.

The gentlewoman should understand that on an open rule, only by a majority action of the House could we close

down this rule, and I think that is the fair way to go about it. That is why we in the Rules Committee put out an open rule, and now, if there are dilatory tactics or stalling tactics—and I do not think there will be; I have looked at the amendments, and I have a lot of faith in the other side of the aisle that they are going to be sincere about it—but should that happen and should it be necessary to close down the debate, it would take an action by this House, not by me saying so, but by a majority of the Members of the House. I just wanted to point that out to the gentlewoman.

Mrs. CLAYTON. Mr. Speaker, there is a slight difference, but with the gentleman's leadership, I gather. Is that what the gentleman is saying?

Mr. GOSS. Mr. Speaker, may I inquire as to how much time remains on either side?

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from Florida [Mr. GOSS] has 17 minutes remaining, and the gentleman from California [Mr. BEILENSON] has 19 minutes remaining.

The Chair recognizes the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I yield 2 minutes to our colleague, the distinguished gentlewoman from Ohio [Ms. PRYCE], a valued member of the Committee on Rules.

Ms. PRYCE. Mr. Speaker, I thank the gentleman from Florida [Mr. GOSS].

Mr. Speaker, another important plank in the Republican Contract With America, the line-item veto, comes to the floor of the House today under a wide open rule, allowing any Member of this body to offer a germane amendment.

This is the third contract item to hit the floor since the 104th Congress began just 4 weeks ago, following on the heels of the balanced budget amendment and the Unfunded Mandate Reform Act.

As in the case of the mandate relief bill, this open rule gives priority recognition to Members who have published their amendments in the CONGRESSIONAL RECORD. I would emphasize that this is not a preprinting requirement. As has been mentioned already, printing of amendments in the RECORD is purely optional. Members who do not preprint amendments will not be prohibited from offering their proposals, but many of us who serve on the Rules Committee encourage Members to exercise this option in the future, not only to receive priority recognition but, more importantly, to inform our colleagues in advance of amendments that are likely to be offered so that we can reduce time-consuming discussion on overlapping amendments and have more meaningful informed debate. With all due respect to my friend, the gentlewoman from North Carolina, this makes an overall better legislative process.

Supporting this rule, Mr. Speaker, will mean full debate on bipartisan legislation specifically designed to help restore fiscal discipline to the budget process.

H.R. 2 will help Congress and the executive branch identify and remove unnecessary and wasteful spending without unduly tying the hands of either branch of Government. Of all the issues raised during the most recent elections, I believe the American people were most concerned about Federal spending and the need to avoid saddling future generations of Americans with an increasingly large debt burden.

Last week we passed a constitutional balanced budget amendment to respond to those concerns. Today under this open process we will consider adding yet another weapon in the fight against wasteful government spending.

Public opinion strongly supports the line-item veto. Forty-three of the Nation's Governors hold the line-item veto, and just last week President Clinton stood in this very Chamber and asked the Congress to give him that authority.

Mr. Speaker, I urge my colleagues to support this rule.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the distinguished gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Speaker, I support this open rule for H.R. 2, but I oppose the bill. At the outset I would like to address a point raised at our committee markup. The statement was made that the line-item veto is a bipartisan issue. That is true. The President, like his Republican predecessors, supports it. Republican and Democratic Members supported it in various forms.

Even so, I do not believe we should decide this issue on the basis of which party is in control of the Congress or the White House. I have consistently opposed this proposal regardless of which party controlled the White House.

The approximately 600,000 constituents of the Seventh District of Illinois, which I represent, expect their elected Representative to do the job to which I was elected. The power of the purse is granted to the Congress, not the President.

Currently, the President can veto legislation, but the Congress can override. This legislation turns the Constitution on its head. It effectively lets the President write the legislation. Under the procedures of this bill, a Presidential rescission is effective, unless Congress passes a resolution to override. That resolution is subject to a veto, which requires two-thirds of Congress to override. Thus, just one-third plus one of the Congress would have the power to uphold a rescission. This allows spending decisions by the minority. For this reason, I have strong doubts of the bill's constitutionality.

What is particularly troublesome is that if we guess wrong, and regret this ceding of power to the President, it will probably be impossible to ever reverse our decision. A Presidential veto would be certain.

On this point, I would note that in testimony before the Senate Judiciary Committee last week, Assistant Attorney General Walter Dellenger challenged the constitutionality of H.R. 2. Let me read briefly from his statement in which he refers to the authority H.R. 2 gives the President over targeted tax benefits.

> It does so by purporting to authorize the President to "veto" targeted tax benefits after they become law, thus resulting in their repeal * * * The use of the term "veto" and "repeal" is constitutionally problematic. Article I, clause 7 of the Constitution provides that the President only can exercise his "veto" power before a provision becomes law. As for the word "repeal", it suggest that the President is being given authorization to change existing law on his own. This arguably would violate the plain textual provisions of Article I, clause 7 of the Constitution, governing the manner in which federal laws are to be made and altered.

We have an alternative to this bill that will be offered as a substitute by Congressman WISE, Congressman SPRATT, and Congressman STENHOLM. The substitute would require Congress to vote on a Presidential rescission request.

The Wise-Spratt-Stenholm substitute is on far sounder constitutional grounds than the provisions of H.R. 2. The substitute does not tamper with the constitutional authority of Congress to tax and appropriate revenues. If Congress does not approve the President's rescission, the rescission would not take effect.

I strongly urge Members to support this amendment. It makes it possible for Congress to carry out its responsibilities under the Constitution.

□ 1100

Mr. GOSS. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. CAMP].

(By unanimous consent, Mr. CAMP was allowed to proceed out of order.)

U.S. TERM LIMITS ORGANIZATION RUNNING NEGATIVE ATTACK ADS

Mr. CAMP. Mr. Speaker, I stand here disgusted. Since being elected to Congress I have supported term limits. When this body votes on term limit legislation in the weeks ahead, I will be a vocal proponent of any legislation that limits terms. My record is clear, consistent, and unwavering.

Today, at the threshold of finally passing term limit legislation, a certain organization called U.S. Term Limits, perhaps because they now face obscurity if this body passes term limits, has chosen to run negative and misleading television attack ads

against me and other term limit supporters.

This organization, which has been subject to allegations of fraudulent petition gathering, is not aiming their guns at opponents of term limits, but instead waging a war against their supporters.

Mr. Speaker, it pains me to realize that this organization, which has been parading as supporting term limits, is nothing but a guardian of the status quo and committed to business as usual. They have stated publicly they will oppose 12-year term limit legislation that comes to the House floor for final passage. I guess their jobs are more important than their goal.

Ms. PRYCE. Mr. Speaker will the gentleman yield?

Mr. CAMP. I yield to the gentlewoman from Ohio.

Ms. PRYCE. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Michigan and congratulate him on his strong statement.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished vice chairman of the Committee on Rules, the gentleman from greater San Dimas, CA [Mr. DREIER].

Mr. DREIER. Mr. Speaker, I thank my friend from Sanibel for yielding me this time so generously, the distinguished chairman of the Legislative Process Subcommittee.

Mr. Speaker, needless to say, like all of us I rise in support of this very, very open rule.

I heard from the other side a Member state that we needed to have an old-fashioned, unfettered rule. Well, the fact of the matter is, Mr. Speaker, nothing could be more unfettered than providing the option for Members to in fact put their ideas in the CONGRESSIONAL RECORD, and then allow possibly second-degree amendments to come forward, as we did yesterday with the Dreier-Moakley compromise when we were dealing with the unfunded mandates legislation.

This clearly is the kind of example of a rule that will allow Members to participate and involve themselves in the process, even before we come to the floor with legislation.

I believe that this can also be an example for a bipartisan spirit, which is going to be very important for us in the Committee on Rules to proceed with. It is a new day. As the gentleman from Florida [Mr. GOSS] said, we are just at the end of the first month of the 104th Congress, and we have had some tremendous legislative accomplishments. And I believe that moving ahead with item-veto authority for the President of the United States is another very clear and strong example of that. Doing it under a wide-open amendment process is a very good thing, not only for this institution, but for the country.

Many people have been saying to me over the past several days, as there was a high level of frustration during the open amendment process on the unfunded mandates legislation, that we should simply ram through our proposals, as though no one cares whether or not it is done under an open amendment process.

I will acknowledge the work that goes on up on the third floor does not often go recognized, but I believe we can in fact proceed with an open process for debate on a wide range of legislation, and this is just one example of that.

Mr. BEILENSON. Mr. Speaker, we have no further requests for time at this time, and I reserve the balance of our time.

Mr. GOSS. Mr. Speaker, it is my pleasure to yield 2½ minutes to the distinguished gentlewoman from Utah [Mrs. WALDHOLTZ], a new member of the committee.

Mrs. WALDHOLTZ. Mr. Speaker, as a cosponsor of H.R. 2, I rise in strong support of this open rule and of this legislation.

The line-item veto is a proven success. The Governors of 43 States have some form of line-item veto authority, including Mike Leavitt in my home State of Utah.

This Nation needs the same kind of benefits that Utahans enjoy. We need to stop the kind of spending that benefits the favored few at the expense of the average taxpayer. For more than two decades, Americans have strongly supported a line-item veto. It is time that we listen to the people and enact this legislation.

Now, this is not a partisan issue. I think it is important to note that at a time when we have a Democrat in the White House, it is a Republican-controlled Congress that will finally give the President a line-item veto.

This issue transcends party lines simply because it is not a party issue. It is a people issue. For too long Congress has failed to bring spending under control and in doing so it has failed the American people. Time and again Congress manages to circumvent the few budgetary restraints it sets for itself, and the people are fed up. They are tired of picking up the tab for unjustified spending.

Some have said this alters the balance of power between the executive and the legislative branches. But this line-item veto does not allow the President to substitute his spending priorities for Congress. The President cannot spend more money, and he cannot use the funds he cuts to fund other programs he would like to spend the money on. He can only help us save taxpayers' money.

As we struggle to balance the budget and work to control excessive spending of the last few decades, it is crucial that we have every fiscal tool at our disposal, and the line-item veto is one of those tools.

Let me take a moment to commend my colleague, the gentleman from Florida [Mr. GOSS] for the work he did in committee on this bill. As originally drafted, H.R. 2 did not contain a mechanism with an established time frame to ensure that a disapproval bill could actually make it to the House floor for a vote. This concern was raised by both sides of the aisle, and the gentleman successfully drafted language that addresses this concern.

Congress has repeatedly shown itself unwilling and unable to control spending, pork-barrel spending. The line-item veto is a step in the right direction, to eliminate unnecessary and wasteful government spending.

Mr. Speaker, I urge my colleagues to support this rule and the line-item veto.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 6 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I wish to commend the gentleman from California and also the gentleman from New York and the other gentleman from the Committee on Rules for giving us an open rule on this very important piece of legislation.

As one who has supported a line-item veto for many years, I am not a Johnny-come-lately, and many of us are not, we who have worked on this legislation. But some of us who have been students of history, and love our Constitution and believe in a balance of power between the executive branch, the legislative branch, and the judicial branch, do not feel that we should give to the executive branch an inordinate amount of power as far as spending priorities are concerned, and that is basically what the base bill by the Republican Party does.

It gives to whoever is in that executive branch—and I have a Democratic President at this time, and I strongly object to giving our President, whether he be Democrat or Republican, that power—that power over the purse that I think distorts what our Founding Fathers did in our Constitution.

□ 1110

Our Founding Fathers gave us a procedure, gave us the way to keep the balance of power between the three branches of Government. This line-item veto, as proposed in the base bill, would give the President of the United States, one person, one-third of the House or one-third of the Senate plus one, one of each, either one, the power, the power over the purse strings in setting priorities of this Congress.

All I ask anybody to do is to go back a few years to the 1980's. We have heard on this floor before, in 1 minutes and

others, talk about the Reagan years and how great the Reagan years and how this revolution was started in the Reagan years.

I want every one of my colleagues to go back and look at the Reagan budgets submitted by that President and the spending priorities in those budgets. I would not have very many people anymore in my district in rural Missouri. I would not have towns that now have running water, now have sewer systems. I would not have a lot of children who have got an education at the University of Missouri or Kirksville or in Marysville or any of these other places because, if we look at those budgets, we would have found that that President's spending priorities, those spending priorities of that President were to eliminate or drastically cut many of the programs that were beneficial.

They are not pork. But he could have very easily have zeroed them out, after we appropriated them, because we decided in the Congress, no, we are not going to do that. We are not going to relegate many of our youngsters to a high school education and that is all. We are not going to tell the American public that they do not need good clean water to drink, that they can continue to do like their forefathers do and haul it in because they do not need running water; they do not need a water tower and a water system, they do not need that. We cannot spend our money for that.

Those were the priorities, if Members will look at that budget, they will find those priorities.

That is what scared some of us to death, when they started talking about giving that President that one President, any President, and one-third of the House or one-third of the Senate plus one the power over the purse.

For that reason, I strongly object and will oppose and will strongly vote against the proposal for the line-item veto on that side.

However, on the other side, I will strongly support, strongly support the Wise-Stenholm-Spratt provision that says a majority, a majority decides along with the President.

I believe in majority rule. I believe this country was based and had been based on 200 years on majority rule. And, therefore, I appreciate the Committee on Rules permitting us to offer the Spratt-Stenholm-Wise provision that I think would continue the balance of power between the executive and the legislative and the judicial branches.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Colorado [Mr. MCINNIS], also a member of the Committee on Rules. We are glad to have the gentleman aboard.

Mr. MCINNIS. Mr. Speaker, I also express appreciation to the gentleman from Florida for allowing me to speak this morning for a couple of minutes.

First of all, this is exciting. This is very refreshing. We have got a rule now that is going to allow us to discuss for 3 days the line-item veto. Last year I can remember what we got allowed to us by the other side, a total of 3 hours. We get 3 days now. That is the difference. That is the beauty of this rule. So I commend the chairman of the Committee on Rules, and I commend the committee on both sides of the aisle for allowing this kind of rule so that we can have the discussions that are necessary.

Second of all, let us talk about the merits of the line-item veto. Take a look at the defense budget. No President in the history of this country has been allowed, because of the defense necessary for this country, to veto the defense budget. So what happens, that is the obvious place to put in pork, to tuck it away. The Congressional Research Service estimates that $50 billion worth of nondefense-related appropriations have been stuffed into the defense budget because no President would dare veto that appropriation. Now with the line-item veto, that game is over, folks.

Let us give it to the President, whether the President is Democrat or Republican, let us stop the games. Let us get into budget management.

Finally, in regards to the comment that this is not a balance of power when we allow the President to have a line-item veto, as the Republican bill does. Of course, it is a balance of power. The veto is a basic part of our Constitution. It is a basic part of the procedure. And there is a balance in there in that it can be overridden with two thirds. It is not different than any other veto.

I strongly support the Republican version. Again, I commend the chairman of the Committee on Rules for allowing us 3 days of debate on the line-item veto. No more "three hours and you're out."

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 6 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I oppose the line-item veto. Very simple, the presidency has become so powerful that the President can bail out Mexico and Congress does not even question it. From what I understand, the congressional leaders on both sides of the aisle nodded their heads and said, go ahead, Mr. President, under some sort of executive authority that you may have, go ahead and enact a program that 80 percent of the American people oppose and could not pass through the Congress.

Now, I am not knocking President Clinton. I am talking about the presidency and the separation of powers, legitimate separation of powers.

I have seen over the years the Congress of the United States, their authority usurped by Presidents who are making decisions, clearly within the constitutional province of the people to a duly elected Congress, and the Congress has not challenged it.

I believe on the eve here, in the wake of this Mexican bailout, that the Congress of the United States should go to court and attempt to enjoin this White House from proceeding and get a determination in the courts as to whether or not the people rule in America or the White House becomes the autocratic ruler around here.

And I would not be the one making this statement. That should be coming from the Speaker and the leaders of the Congress who passively turned their backs.

Now, I want to talk business about line-item veto. I want my colleagues to imagine this little political science scenario: 1993 budget of President Clinton, I was one of the 40-plus Democrats to oppose that budget. I disagreed with the raising of taxes with no accompanying move to mitigate our trade problems and our bankruptcy. And I stood strong in meetings at the White House, and the President and I had a very good exchange in the cabinet room about it.

When it came to the floor, I spoke out against that budget. I did not know that I would be the only Democrat who would have spoken out. I guess Democrats bit their tongue. And while some of them may laugh about this, while Democrats bit their tongue, Republicans are the majority.

I want Members to imagine a meeting with the line-item veto authority in the cabinet room. The President says to the Vice President, "AL, I see where TRAFICANT got an expansion for x-ray equipment for that veterans outpatient clinic."

"Yes sir, Mr. President. Look, I am not going to take his side, but his constituents have to drive to Cleveland for an x-ray."

"AL, I see where there's five bridges in that highway bill."

"Mr. President, those bridges are condemned that community has so many problems."

"AL, I see where there is some expansion at that air base and there are cuts all around America."

"Mr. President, that's cost-effective. They have the greatest airport in the country, and they have no passengers because of the near proximity of Cleveland and Pittsburgh."

□ 1120

"AL, let me ask you something. Maybe it's time that we get a reckoning here, AL. Maybe it's time we get TRAFICANT's attention. TRAFICANT wants that bridge. You tell him next year we'll talk a little better on that tax vote.

"His people need those veteran outpatient services, I can understand it,

but you tell TRAFICANT, we'll talk about them next year after that vote on Mexico.

"And then you let TRAFICANT go through the Congress where he's going to protect everybody else's bridges and try and override that, AL."

I am not saying the President is going to do that, but you, Congress, will empower the President to have a meeting just like that in the dark rooms of the White House.

I am opposed to transferring any more of the people's power to the presidency. Nothing to do with Bill Clinton. You are not transferring power, Congress. You are transferring the power of the people. In American the people are supposed to govern. Where did we change that?

We have evolved to a situation where the agencies of the government pass regulations that waive the Constitution. Look at the IRS. Now it has gotten to the point where a President realizing he cannot pass a piece of legislation that he supports, namely a bill out of Mexico, sidesteps the Congress and in fact says, "For the betterment of America, I'm going to go beyond the authority of the people's Congress and enact this."

The Republican majority wants to empower the President to be able to reach into the people's budget and strike out issues called line item to stop pork.

In closing, let me say this. One of George Bush's last budgets, he asked for a balanced budget amendment to the Constitution and a line-item veto, and I am not putting President Bush down, but while he asked for a line-item veto to stop pork and he asked for a balanced budget amendment—that evidently does not work in D.C., I might add—George Bush asked for a record amount of new spending without revenue, $322 billion.

George Bush is not here any longer. I do not want to give Franklin Delano Roosevelt, if I were in those days, Harry Truman, John Kennedy, Richard Nixon, Gerald Ford, George Bush, Ronald Reagan, Jimmy Carter, Bill Clinton or whomever any more power. They execute the laws of the people.

They administer the government of the people and, damn it, we run it. Act like it.

I oppose this line-item veto and ask our party on this side to force the Republican majority to transfer the power to the American people.

Mr. GOSS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from the Commonwealth of Massachusetts [Mr. BLUTE], who is a major sponsor and has done yeoman's work on this legislation.

Mr. BLUTE. Mr. Speaker, I rise today to support this open rule which will provide for extended debate in this House on the line-item veto, longer than it has ever been debated before.

In the 102d Congress, the total time the House devoted to debate was 40 minutes. In the 103d Congress, the House only debated for 4½ hours in the first session and only 3 hours and 10 minutes in the second session for such an important issue.

I commend the gentleman from New York [Mr. SOLOMON], the chairman and the entire Committee on Rules for giving us a rule which not only gives the House extended debate but also allows the consideration of all amendments by Members of this body.

I hope that the Members vote in favor of this open rule so that we can get on with this debate on the real line-item veto. I urge Members to support the Clinger bill.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, I also support the rule and will be supporting line-item veto authority for the President. I come from Wisconsin. It has been in our Constitution for years. Even though the current Governor is now abusing that power, I think it is one which Governors should have and Presidents should have. But I am a little concerned over this rule.

I am told it is an open rule, but it is an open rule if, and the "if" is, if we do not finish by Monday night and wrap this and give it as a birthday present to President Reagan, then we are going to close it. I am saying that is kind of phony symbolism. I do not know. We could be done before Monday or early Monday on this proposition, but what I am told and what the rumor mill around here is that it is open but we cannot go past Monday night because then we go past President Reagan's birthday.

I am saying if in fact that is how we are going to legislate with that type of phony symbolism, then what bill do we pass on President Ford's wedding anniversary? Have you selected that yet? And if amendments are pending, do we have to stop talking?

How about President Nixon's confirmation date? I am assuming there is some legislation that has been pegged to hit on that date and not an hour later.

I will support the rule but I will be very, very interested to watch the majority on Monday once we start getting into the evening hours and at that point watch them close this process up, because this has to be wrapped and sent to California—for President Reagan's birthday?

That is the same type of symbolism we had last night with these three rules, on three noncontroversial bills. So the Committee on Rules, to up their batting average, put out three open rules on three bills which needed no rule, they put the taxpayers through the expense of not only drafting but printing up the rules.

I checked back here where the rules are left for the Members' edification and was told that they were thrown away. I wish I was here on the floor last night to grab that garbage bag so I could bring it here and say, "This is the phony symbolism, American taxpayers, that we're going through."

We have to pass legislation on Presidents' birthdays, we have to do rules which are not necessary to up the majority's batting average, and what happens? It is wasted because they are thrown in the garbage.

Mr. GOSS. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from New York [Mr. SOLOMON], the chairman of the committee.

Mr. SOLOMON. I will try not to use the whole minute and a half.

Mr. Speaker, let me just say to the gentleman from Wisconsin, he ought to be careful about using terms like "phony symbolism." I think people on both sides are sincere in this body.

Let me just say this. This is not just a birthday present for Ronald Reagan. It is a birthday present for the American people. They want this and they want it badly.

Second, we have got a contract to abide by. We have had as little as 40 minutes debate on this subject in the past. Last year, just 3 hours and 10 minutes. This time it is going to be 3 days. I do not think we should be criticized for that. I think that is being more than open and fair.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Speaker, I thank the gentleman from Florida for yielding me the time.

Mr. Speaker, I rise today in strong support of the rule to accompany H.R. 2, the Line-Item Veto Act.

Today, we take up the third plank of the Contract With America, having passed overwhelmingly the balanced budget amendment and a bill to curb Federal unfunded mandates. The American people elected a Republican Congress last November so that we could bring to open debate the many pieces of legislation that have wide popular support, such as the provisions of the Contract With America. The people are eager to move quickly on this legislation and I hope that we will not have numerous, dilatory amendments offered on this bill.

For too long, a spendthrift Congress has squandered, without restraint, the tax dollars of the American people on wasteful programs. Congress has shown an institutional inability to control its runaway spending habits. Therefore, the time has come to make the President a full partner in the quest for rationality and sensibility in the budget process.

History will record that the passage of the line-item veto will be the most significant achievement of these historic 100 days. It is a tribute to the

leadership of this House that we will, today, take up this legislation under an open rule and I commend the Speaker, Chairman SOLOMON and Chairman CLINGER for the work they have done to bring this bill to the floor. In preceding Congresses, this bill would have never seen the light of day and certainly not under a rule allowing everyone on both sides of the aisle with an interest in the bill to offer an amendment.

In the past, Congress has sent the President bloated, omnibus legislation filled with questionable spending items that would be impossible to justify on their own. We need to give the President the authority to delete these items to act as a check in the classical constitutional system of checks and balances on the past tendency of Congress to bankrupt our future.

The people of the Fifth District of Washington are in strong support of this cost-cutting measure and I strongly urge my colleagues to unanimously support this rule and this legislation.

□ 1130

Mr. GOSS. Mr. Speaker, I am privileged to yield 2 minutes to the distinguished gentleman from Georgia [Mr. LINDER], a member of the Committee on Rules and the Subcommittee on Legislation. We are proud to have him.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I want to begin by expressing my support for House Resolution 55, an open rule which allows for thorough consideration of H.R. 2, the Line-Item Veto Act. I am a cosponsor of H.R. 2 and I strongly support this fiscally responsible piece of legislation, but I am pleased that all Members will have the opportunity to debate a significant number of alternatives on the House floor in coming days.

While I agree that, by itself, the line-item veto does not provide a silver bullet to end all wasteful Federal spending. I am confident that, with a cooperative congressional-Presidential effort to cut spending, we will be able to remove much of the wasteful spending that so offends the American people.

I want to congratulate the gentleman from Florida [Mr. GOSS] for his hard work in crafting the language that establishes the expedited procedures which set forth a specific timetable for congressional action in responding to a President's line-item veto message.

Mr. Speaker, H.R. 2 was favorably reported from both Government Reform and Oversight and the Rules Committee, and this open rule received unanimous support by the Rules Committee members. The rule allows any Member the opportunity to perfect the line-item veto, and I urge my colleagues to adopt the rule.

Mr. BEILENSON. Mr. Speaker, if I do not have a chance to reclaim any of my time, let me again urge my colleagues to vote for this open rule.

Mr. Speaker, for purposes of debate only, I yield 1 minute to the distinguished gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding me this time. I simply rise to commend the Committee on Rules for passing out an open rule and urge support of the rule.

I think this is really the test of an open rule, and that is when we have tough issues. We saw an open rule under unfunded mandates. Yes, there were many amendments, but there were many issues drawn and Members got a chance to express themselves and cross-examine Members on both sides of the aisle. I hope we do that again as on unfunded mandates, and I want to compliment the Committee on Rules for preserving this debate. Next to our voting card our constituents give us, the right of free debate and the ability to cross-examine one another on issues is one of the most important privileges we have in this House.

We should not get too caught up in the 100 days. Otherwise, the 100 days could end up looking like George Bush's golf game. He played really fast, but it was not really a good game.

I hope we can preserve open rules so we have free and open debate that is subject to cross-examination on the basic ideas about the direction of this Government. Again I want to thank the Committee on Rules on preserving an open rule on this measure.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Florida [Mr. DIAZ-BALART], a distinguished member of the Committee on Rules.

Mr. DIAZ-BALART. Mr. Speaker, I am very pleased that the last two distinguished colleagues from the other side of the aisle who spoke thanked the majority on the Committee on Rules for issuing an open rule, especially after there had been so much confusion brought forth previously with regard to, and with much imagination, I might add, imagination with regard to the fact, for example, yesterday a number of bills were brought to the floor with open rules; in other words, with the ability of any Member to present any amendment that any Member wishes to, and yet, with a lot of imagination, objection was made to that. It was said, "Well, you should not do that. You should waive the rules," and put it on something called the suspension calendar or something.

And there was imagination used today on this floor, with good faith I am sure, that this open rule was maybe not an open rule, it was something else because we want to give notice to colleagues here on the floor by urging, by encouraging Members who are going to present an amendment to notify Members beforehand by publishing them beforehand that they plan to introduce an amendment, not requiring, but giving incentive, giving encouragement to Members to provide our colleagues with notification.

So again I am glad that the two last distinguished Members thanked the majority, Chairman SOLOMON and the majority of the Committee on Rules for permitting—and this is important, this is procedural, but it is important—any Member of this Congress to bring forth any amendment with regard to this very important measure, which is the line-item veto.

It is something that was almost extraordinarily, extraordinarily I would say, but not unheard of, but extraordinarily unique in previous Congresses. This time the Members representing their constituents can bring forth any amendments, even on as important a measure as this, any amendments that they wish.

This is serious business that we are doing today. There is no doubt. I am one of those who is of the belief that our constitutional Presidency in the United States is not only a strong Presidency, it could be categorized as an imperial Presidency. We have a Presidency where the President can send troops to die in any foreign country, can even pledge billions and billions of dollars from the U.S. Treasury, with the full faith and credit of the American people, to foreign countries unilaterally. So talking about a strong Presidency, it is a strong Presidency.

Nevertheless, Mr. Speaker, we need every—albeit in this case small weapon, the line-item veto for the task at hand—every weapon available for the task at hand during the next 5 to 7 years, and that is to balance the Federal budget. It is not going to be easy. It is going to be extraordinarily difficult, in fact. But this is one very necessary, I believe, weapon, and it has been seen in State after State of our Union that it is useful to the chief executives, and I am sure it will be useful to the Chief Executive of either party, of both parties in the United States in helping us balance the budget, which is necessary for future generations to maintain our strength economically into our posterity.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). All time has expired.

Mr. GOSS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 55 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2.

□ 1139

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the bill (H.R. 2) to give the President line-item veto authority over appropriation acts and targeted tax benefits in revenue acts, with Mr. BOEHNER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 30 minutes, the gentlewoman from Illinois [Mrs. COLLINS] will be recognized for 30 minutes, the gentleman from Florida [Mr. GOSS] will be recognized for 30 minutes, and the gentleman from California [Mr. BEILENSON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Chairman, I yield myself 2½ minutes.

At the outset, may I wish everybody a Happy Groundhog Day. As the Congressman who represents Punxsutawney Phil, he did not see his shadow, so winter is going to be over shortly, and I think that is a good omen as we bring H.R. 2, the line-item veto to the floor. I think it is a harbinger of that which is a historic piece of legislation which when we enact it, as we will, will complete the second installment on the Republican Contract With America. Together with the balanced budget amendment and entitlement reforms, this bill provides much needed reform of Congress' bloated tax-and-spending habits.

H.R. 2 gives the President line-item veto authority over discretionary appropriations and targeted tax benefits. The bill allows the President to reduce or eliminate any discretionary spending specified in an appropriations bill or accompanying report, and to veto any tax benefit which he determines would benefit 100 or fewer taxpayers.

Under H.R. 2, the President will have 10 days after signing an appropriation or revenue act to submit to Congress a special message identifying his rescission or veto proposals. A separate rescission or veto message will be required for each act and each message must be considered en bloc.

Upon receipt of the President's message, Congress will have 20 days for both Houses to pass a resolution of disapproval in order to prevent the cuts. If either House fails to pass the disapproval resolution, then the rescissions will take effect. If, on the other hand, both Houses vote to release the appropriation or enact the tax benefit by passing resolutions of disapproval, the disapproval resolution would be presented to the President for signature or veto. A Presidential veto would return the bill to Congress, which would have 5 days to override by a two-thirds vote of each House.

This process is fundamentally different from that in existing law which favors spending by permitting either House of Congress to force the release of moneys through inaction. Currently, unless both Houses pass bills to approve the rescission proposal, the money must be spent. Under H.R. 2, however, the cuts would stand unless both Houses vote to disapprove the rescissions and force the release of money.

While current law tilts the table toward Congress and spending, under H.R. 2, the table would be tipped toward the President and saving. This is a major reform of the Federal spending process, and one favored by the overwhelming majority of the American people according to CNN, USA Today, and Gallup polls.

Because this legislation offers an important step toward deficit reduction and a balanced Federal budget, one which will help to eliminate our current $4.7 trillion debt and continuing $200 billion plus yearly deficits, I urge adoption of the bill which President Clinton has requested—the strongest possible line-item veto. I urge the adoption of H.R. 2.

□ 1140

I might say the President himself, President Clinton, has requested that we send him the strongest possible enhanced rescission bill that we can present him.

So I would urge adoption of H.R. 2.

Mr. Chairman, I reserve the balance of my time.

Mrs. COLLINS of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am opposed to H.R. 2, the Line Item Veto Act. I think it gives any President whether Democrat or Republican far too much power over congressional spending decisions, and I do not believe it would have any significant impact on Federal spending.

We have heard a lot in recent weeks about what the voters were telling their Representatives in the last election. What I heard loud and clear was a cry for greater responsibility on the part of each Member of Congress.

Our first responsibility as Members of Congress is to be truthful and thorough in making the laws of the land. Unfortunately, H.R. 2 is not truthful about its provisions.

Even though this bill is called the Line Item Veto Act, it is not a normal line-item veto bill. Instead, it would give the President the most extreme power to cancel programs and projects. Chairman CLINGER himself has characterized the bill as the strongest possible grant of Presidential power.

Some have said that it mirrors the line-item veto authority that 43 Governors enjoy; but this bill is considerably different.

One need only read the committee report to know that. On page 11, it says, and I quote "H.R. 2 differs fundamentally from the kind of item-veto authority granted to Governors in 43 States." Yet I am willing to bet we will continue to hear dozens of speakers talk about the item-veto power of 43 Governors. They probably did not read this bill.

H.R. 2 would produce such an extreme shift of authority from Congress to the President that it is likely to be unconstitutional. Unfortunately, this bill is also another example of how haste makes waste.

Proponents of the bill did not understand the broad sweeping powers they were granting the President until it was raised at the markup. Now they are trying to rewrite the bill to more clearly define what a line item of spending authority is.

Everyone should also be concerned that a President could easily abuse the extraordinary power H.R. 2 would give him. As reported, the bill lets a President define, in any way he chooses, a line of spending authority that he vetoes. This bill does not restrict a President—whether he or she is a Democrat or a Republican—to simply eliminating or reducing spending in the form that Congress passes it, either in an appropriations bill or report accompanying the bill.

The original draft report of the Committee on Government Reform and Oversight stated, and I quote:

> We decided on enhanced rescission for several reasons. It permits Congress to continue appropriating with lump sums. Moreover, after a President signs an appropriations bill, he may go as deep as he likes within an appropriations account to propose specific rescissions.

Dr. Robert Reischauer, Director of the Congressional Budget Office, testified before our committee that extreme proposals like H.R. 2, give the President "greater potential power than a constitutionally approved item veto."

Dr. Reischauer went on to say that the authority in this bill would actually allow the President to "define a line item as any portion of an appropriation enacted into law." In effect, any President whether Democrat or Republican could reach inside a line item in order to cut a particular project.

For example, H.R. 2 could allow any President be he Democrat or Republican to threaten the independence of Federal judges he does not like, by using the line-item veto to cut funds for the operation of particular courts. Any President could also cut funding for important water, road or other projects in States or regions of the country that did not support him in an election. Similarly, any President could cut funds out of the legislative appropriations bill for a particular committee of the Congress, if he wanted to retaliate for its activities.

Even if a President did not abuse this power, this legislation could not possibly have much impact on the Federal

debt. Under H.R. 2, a President would not be able to use the line-item veto on the biggest items in the Federal budget—interest on the debt and mandatory spending—which account for about 65-percent of all Federal spending.

Instead, the Line Item Veto Act would apply to only about 35-percent of Federal spending that is subject to appropriations, and this spending has actually been declining in recent years.

It is an absolute fallacy, therefore, to suggest that the lack of Presidential line-item veto authority has contributed significantly to the Federal debt, which has grown from just over $900 billion in 1980 to a projected $4.9 trillion this year. Instead, reckless, irresponsible spending produced this debt.

At the President's insistence in 1981, Congress passed a gigantic tax cut that cost the Federal Government nearly $270 billion in lost revenues by 1988. During that same period and, again, at the President's request, defense spending more than doubled, even though we had no way to pay for it.

As a result, 28 percent of all income tax receipts now go to pay just for the interest on the new debt which the Federal Government incurred between 1981 and 1993. To put this in some perspective, only about 5 percent of income tax receipts go to pay for the cost of providing welfare to needy Americans.

It is also untrue that Presidents have been more aggressive than Congress in trying to curb Federal spending. Over the last 20 years in which Presidents have had authority to rescind appropriations, all Presidents have proposed a grand total of $72 billion in rescissions. During that same time, the Congress has approved rescissions that total $92 billion—that is, $20 billion more than Presidents have requested.

In addition, Presidential budget requests have actually been greater than what Congress has appropriated in all but 5 of the last 15 fiscal years.

Together with Congresswoman THURMAN and Chairman CLINGER, I proposed an amendment that gives Congress the right to fully consider a Presidential rescission proposal. That amendment is contained in the bill we are now considering. It guarantees that a Member of Congress would, at least, have the right to call up a President's rescission for a vote on the floor.

But, this is not enough. The Constitution gives the Congress, not the President, responsibility for deciding how to spend Federal revenues. Should we invest more in defense and less in health and nutrition programs for children and the elderly? Should we give tax cuts or increase spending on education?

These are tough decisions that each and every Member of Congress is sent to Washington to make. We cannot expect the President to do our work for us.

Mr. Chairman, these first few days of the Congress seem to be devoted more to gimmicks and buzzwords, and less to honesty with the American people. Rules for unfunded mandates, line-item veto, and balanced amendments do little to tell the American people how the deficit will be reduced.

The new majority, who now controls the Congress, owes the people an honest appraisal of how they intend to balance the budget. Honesty and responsibility is what the people are demanding, and that is what they deserve.

□ 1150

Mr. Chairman, I reserve the balance of my time.

Mr. GOSS. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. I thank the gentleman from Florida for yielding this time to me.

Mr. Chairman, I requested permission to submit extraneous material for the RECORD, that material being the National Taxpayers Union's 1993 rating of the big spenders in Congress. And I would ask the Chairman and others to pay attention to who is for this line-item veto and who is opposed to it. You will find out that all the big spenders are opposed to it, and those who voted for fiscal restraint are for it.

The document referred to is as follows:

NATIONAL TAXPAYERS UNION—1993
TAXPAYERS' FRIENDS

Arizona: Sen. John McCain.

California: Rep. Christopher Cox, Rep. Randy Cunningham, Rep. John T. Doolittle, Rep. David Dreier, Rep. Wally Herger, Rep. Duncan Hunter, Rep. Howard P. McKeon, Rep. Carlos J. Moorhead, Rep. Richard W. Pombo, Rep. Dana Rohrabacher, Rep. Ed Royce.

Colorado: Sen. Hank Brown, Rep. Wayne Allard.

Delaware: Sen. William V. Roth, Jr.

Florida: Sen. Connie Mack, Rep. Tom Lewis, Rep. John L. Mica, Rep. Dan Miller.

Georgia: Sen. Paul Coverdell, Rep. Mac Collins, Rep. John Linder.

Idaho: Sen. Larry E. Craig, Sen. Dirk Kempthorne.

Illinois: Rep. Philip M. Crane, Rep. Thomas W. Ewing, Rep. Harris W. Fawell, Rep. Donald Manzullo.

Indiana: Sen. Daniel R. Coats, Sen. Richard G. Lugar.

Iowa: Sen. Charles E. Grassley, Rep. Jim Nussle.

Kansas: Sen. Bob Dole.

Kentucky: Rep. Jim Bunning.

Maine: Sen. William S. Cohen.

Michigan: Rep. Peter Hoekstra, Rep. Joe Knollenberg, Rep. Nick Smith.

Minnesota: Rep. Rod Grams, Rep. Jim Ramstad.

Montana: Sen. Conrad Burns.

New Hampshire: Sen. Judd Gregg, Sen. Robert C. Smith, Rep. Bill Zeliff.

New Jersey: Rep. Bob Franks, Rep. Dick Zimmer.

New York: Rep. Gerald B.H. Solomon, Rep. Bill Paxon.

North Carolina: Sen. Lauch Faircloth, Sen. Jesse Helms, Rep. Cass Ballenger, Rep. Howard Coble.

Ohio: Rep. John A. Boehner, Rep. Rob Portman.

Oklahoma: Sen. Don Nickles, Rep. James M. Inhofe, Rep. Ernest Jim Istook.

Pennsylvania: Rep. George W. Gekas, Rep. Bud Shuster, Rep. Robert S. Walker.

South Carolina: Rep. Bob Inglis.

South Dakota: Sen. Larry Pressler.

Tennessee: Rep. John L. Duncan.

Texas: Sen. Phil Gramm, Rep. Bill Archer, Rep. Dick Armey, Rep. Joe L. Barton, Rep. Tom DeLay, Rep. Jack Fields, Rep. Sam Johnson.

Virgina: Sen. John W. Warner.

Wisconsin: Rep. Tom Petri, Rep. F. James Sensenbrenner.

Wyoming: Sen. Alan K. Simpson, Sen. Malcolm Wallop.

NATIONAL TAXPAYERS UNION BIG SPENDERS OF 1993

Alabama: Rep. Tom Bevil, Rep. Robert E. Cramer, Rep. Earl F. Hilliard.

Arizona: Rep. Karan English, Rep. Ed Pastor.

Arkansas: Sen. Dale Bumpers, Sen. David Pryor, Rep. Ray Thornton.

California: Sen. Barbara Boxer, Sen. Dianne Feinstein, Rep. Xavier Becerra, Rep. Howard L. Berman, Rep. George E. Brown, Rep. Ronald V. Dellums, Rep. Julian C. Dixon, Rep. Don Edwards, Rep. Anne G. Eshoo, Rep. Sam Farr, Rep. Vic Fazio, Rep. Bob Filner, Rep. Dan Hamburg, Rep. Jane Harman, Rep. Tom Lantos, Rep. Mathew G. Martinez, Rep. Robert T. Matsui, Rep. George Miller, Rep. Norman Y. Mineta, Rep. Nancy Pelosi, Rep. Lucille Raybal-Allard, Rep. Pete Stark, Rep. Esteban E. Torres, Rep. Walter R. Tucker, Rep. Maxine Waters, Rep. Henry A. Waxman, Rep. Lynn Woolsey.

Colorado: Sen. Ben Nighthorse Campbell, Rep. David E. Skaggs.

Connecticut: Sen. Christopher J. Dodd, Rep. Rosa DeLauro, Rep. Sam Gejdenson, Rep. Barbara B. Kennelly.

Delaware: Sen. Joseph R. Biden, Jr.

Florida: Sen. Bob Graham, Rep. Jim Bacchus, Rep. Corrine Brown, Rep. Peter Deutsch, Rep. Sam M. Gibbons, Rep. Alcee L. Hastings, Rep. Harry A. Johnston, Rep. Carrie P. Meek, Rep. Pete Peterson, Rep. Karen L. Thurman.

Georgia: Rep. Sanford D. Bishop, Rep. George Darden, Rep. John Lewis, Rep. Cynthia A. McKinney.

Hawaii: Sen. Daniel K. Akaka, Sen. Daniel K. Inouye, Rep. Neil Abercrombie, Rep. Patsy T. Mink.

Illinois: Sen. Carol Moseley-Braun, Sen. Paul Simon, Rep. Cardiss Collins, Rep. Richard J. Durbin, Rep. Lane Evans, Rep. Luis V. Gutierrez, Rep. Mel Reynolds, Rep. Dan Rostenkowski, Rep. Bobby L. Rush, Rep. George E. Sangmeister, Rep. Sidney R. Yates.

Indiana: Rep. Frank McCloskey, Rep. Peter J. Visclosky.

Iowa: Sen. Tom Harkin, Rep. Neal Smith.

Kansas: Rep. Dan Glickman.

Kentucky: Sen. Wendell H. Ford, Rep. Romano L. Mazzoli.

Louisiana: Sen. John B. Breaux, Sen. J. Bennett Johnston, Rep. Cleo Fields, Rep. William J. Jefferson.

Maine: Sen. George J. Mitchell, Rep. Thomas H. Andrew.

Maryland: Sen. Barbara A. Mikulski, Sen. Paul S. Sarbanes, Rep. Benjamin L. Cardin, Rep. Steny H. Hoyer, Rep. Kweisi Mfume, Rep. Albert R. Wynn.

Massachusetts: Sen. Edward M. Kennedy, Sen. John Kerry, Rep. Barney Frank, Rep.

Joseph P. Kennedy, Rep. Edward J. Markey, Rep. Joe Moakley, Rep. Richard E. Neal, Rep. John W. Olver, Rep. Gerry E. Studds.

Michigan: Sen. Carl Levin, Sen. Donald W. Riegle, Jr., Rep. David E. Bonior, Rep. Bob Carr, Rep. Barbara-Rose Collins, Rep. John Conyers, Rep. John D. Dingell, Rep. William D. Ford, Rep. Dale E. Kildee, Rep. Sander M. Levin.

Minnesota: Sen. Paul Wellstone, Rep. James L. Oberstar, Rep. Martin Olav Sabo, Rep. Bruce F. Vento.

Mississippi: Rep. G.V. Montgomery, Rep. Bennie Thompson, Rep. Jamie L. Whitten.

Missouri: Rep. William L. Clay, Rep. Richard A. Gephardt, Rep. Ike Skelton, Rep. Harold L. Volkmer, Rep. Alan Wheat.

Montana: Sen. Max Baucus, Rep. Pat Williams.

Nevada: Sen. Harry Reid, Rep. James Bilbray.

New Jersey: Rep. Robert Menendez, Rep. Donald M. Payne, Rep. Robert G. Torricelli.

New Mexico: Rep. Bill Richardson.

New York: Sen. Daniel Patrick Moynihan, Rep. Gary L. Ackerman, Rep. Eliot L. Engel, Rep. Floyd H. Flake, Rep. Maurice D. Hinchey, Rep. George J. Hochbrueckner, Rep. Nita M. Lowey, Rep. Thomas J. Manton, Rep. Michael R. McNulty, Rep. Jerrold Nadler, Rep. Major R. Owens, Rep. Charles B. Rangel, Rep. Charles E. Schumer, Rep. Jose E. Serrano, Rep. Louise M. Slaughter, Rep. Edolphus Towns, Rep. Nydia M. Velázquez.

North Carolina: Rep. Eva Clayton, Rep. W.G. Hefner, Rep. Stephen L. Neal, Rep. David Price, Rep. Charlie Rose, Rep. Melvin Watt.

Ohio: Sen. John Glenn, Sen. Howard M. Metzenbaum, Rep. Douglas Applegate, Rep. Sherrod Brown, Rep. Tony P. Hall, Rep. Tom Sawyer, Rep. Louis Stokes, Rep. Ted Strickland.

Oklahoma: Rep. Mike Synar.

Oregon: Rep. Elizabeth Furse, Rep. Mike Kopetski, Rep. Ron Wyden.

Pennsylvania: Sen. Harris Wofford, Rep. Lucien E. Blackwell, Rep. Robert A. Borski, Rep. William J. Coyne, Rep. Thomas M. Foglietta, Rep. Paul E. Kanjorski, Rep. John P. Murtha.

Rhode Island: Sen. Claiborne Pell, Rep. Jack Reed.

South Carolina: Sen. Ernest F. Hollings, Rep. James E. Clyburn, Rep. Butler Derrick, Rep. John M. Spratt.

South Dakota: Sen. Tom Daschle.

Tennessee: Sen. Harlan Mathews, Sen. Jim Sasser, Rep. Harold E. Ford.

Texas: Rep. Jack Brooks, Rep. John Bryant, Rep. Jim Chapman, Rep. Ronald D. Coleman, Rep. E de la Garza, Rep. Martin Frost, Rep. Henry B. Gonzalez, Rep. Gene Green, Rep. Eddie Bernice Johnson, Rep. Solomon P. Ortiz, Rep. J.J. Pickle, Rep. Frank Tejeda, Rep. Craig Washington, Rep. Charles Wilson.

Vermont: Sen. Patrick J. Leahy, Rep. Bernard Sanders.

Virginia: Rep. Rick Boucher, Rep. Leslie L. Byrne, Rep. James P. Moran, Rep. Robert C. Scott.

Washington: Sen. Patty Murray, Rep. Norm Dicks, Rep. Mike Kreidler, Rep. Jim McDermott, Rep. Al Swift, Rep. Jolene Unsoeld.

West Virginia: Sen. Robert C. Byrd, Sen. John D. Rockefeller IV, Rep. Alan B. Mollohan, Rep. Nick J. Rahall, Rep. Bob Wise.

Wisconsin: Rep. Gerald D. Kleczka, Rep. David R. Obey.

HISTORY OF NATIONAL TAXPAYERS UNION TAXPAYERS' FRIEND'S AWARDS

Member	Total awards won	Year													
		1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
Allard	2	TF	.....	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Archer	15	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF
Armey	9	TF	TF	TF	TF	TF	TF	TF	TF	TF	E	.....	.....	.....	.....	.....
Ballenger	4	TF	TF	TF	TF	.....	.....	.....	E	.....	.....	.....	.....	.....	.....	.....
Barton	8	TF	TF	TF	TF	TF	.....	TF	TF	TF	E	.....	.....	.....	.....	.....
Boehner	2	TF	.....	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bunning	4	TF	.....	TF	TF	TF	.....	.....	E	.....	.....	.....	.....	.....	.....	.....
Coble	7	TF	TF	TF	TF	TF	.....	TF	.....	TF	E	.....	.....	.....	.....	.....
Collins, M	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Cox, C (CA)	4	TF	TF	TF	TF	.....	E	.....	.....	.....	.....	.....	.....	.....	.....	.....
Crane	15	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF
Cunningham	1	TF	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
DeLay	9	TF	TF	TF	TF	TF	TF	TF	TF	TF	E	.....	.....	.....	.....	.....
Doolittle	3	TF	TF	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Dreier	13	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	E	.....
Duncan	5	TF	TF	TF	TF	TF	E*	.....	.....	.....	.....	.....	.....	.....	.....	.....
Ewing	2	TF	TF	E*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Fawell	7	TF	TF	TF	TF	.....	TF	TF	TF	E	.....	.....	.....	.....	.....	.....
Fields	12	TF	TF	TF	TF	TF	.....	TF	TF	TF	TF	TF	TF	TF	E	.....
Franks, B (NJ)	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Gekas	3	TF	.....	.....	TF	TF	.....	.....	.....	.....	.....	.....	E	.....	.....	.....
Grams	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Herger	6	TF	TF	TF	TF	TF	.....	TF	E	.....	.....	.....	.....	.....	.....	.....
Hoekstra	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Hunter	3	TF	.....	TF	.....	.....	.....	TF	.....	.....	.....	.....	.....	.....	E	.....
Inglis	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Inhofe	3	TF	.....	TF	.....	.....	.....	TF	E	.....	.....	.....	.....	.....	.....	.....
Istook	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Johnson, S (TX)	3	TF	TF	TF	E 91	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Knollenberg	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Lewis, T (FL)	1	TF	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	E	.....	.....	.....
Linder	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Manzullo	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
McKeon	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Mica	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Miller, D (FL)	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Moorhead	15	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF
Nussle	3	TF	TF	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Paxon	1	TF	.....	.....	.....	.....	E	.....	.....	.....	.....	.....	.....	.....	.....	.....
Petri	9	TF	TF	TF	TF	TF	.....	TF	TF	TF	.....	.....	.....	TF	.....	.....
Pombo	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Portman	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Ramstad	2	TF	TF	.....	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Rohrabacher	5	TF	TF	TF	TF	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....
Royce	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Sensenbrenner	15	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF
Shuster	6	TF	TF	.....	TF	.....	.....	.....	.....	.....	.....	TF	.....	.....	TF	TF
Smith, N (MI)	1	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Solomon	13	TF	TF	TF	TF	TF	.....	TF	.....	TF	TF	TF	TF	TF	TF	TF
Walker	14	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	TF	.....	TF
Zeliff	3	TF	TF	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Zimmer	3	TF	TF	TF	E	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

TF=Taxpayers' Friend; E=Year Elected.

Mr. Chairman, this Nation is at war. As we debate this bill today, the Federal debt hovers above $4.6 trillion. The annual deficit is projected to top $200 billion every year this century, and Government spending is adding $10,000 to the debt every second that we stand here. Just during these 2 hours of general debate alone we will add $72 million to the national debt. This is unconscionable.

Reducing the deficit and the debt are not partisan issues, they are the American people's issues which must be attacked on two fronts. The first is on the hard choices making the sacrifices and the spending cuts necessary to bring our Nation's accounts into balance. Many in this body claim that the deficit has been reduced, Congress has acted responsibly they say in keeping the deficit lower than it was projected to be.

I would urge my colleagues to read the writing on the wall—the deficit still exists and it is growing larger everyday. It is growing by $200 billion each year during this decade, as I said before.

Mr. Chairman, the Congress must begin and never stop its war on the deficit until it no longer exists. All past efforts, both Republican and Democrat, have failed. They have failed to eradicate the sea of red ink which is ruining this country.

The truth is our budget process is broken and it must be fixed. And this system can be fixed by the second front in our war on the deficit.

Real procedural reforms will effectively allow and force these tough choices to be made. The line-item veto as proposed in H.R. 2 is just such a procedural reform. Coupled with a balanced budget constitutional amendment—which this House had the foresight of passing last week—procedural restraints on run-away spending will be put in place.

Let me assure you that I, in no way, believe that an effective line-item veto will in and of itself balance the budget, it will not. However, I do believe that it will have a deterrent effect on spending, by discouraging us from slipping pork into our appropriation bills in the first place.

Pork like $20 million for golf videos and pony trekking in Ireland? How about $58 million to some millionaire up in New York, where I come from, to bail out his baseball investments? And $34 million for screwworm research in Mexico last year?

Well, do you not think that $34 million could be better used to reduce our deficit last year if the President possessed the line-item veto? Mr. Chairman, as long as this type of wasteful spending is allowed to permeate our appropriations bills the budget system will never work. Mr. Chairman, over the last 94 years this Congress has only balanced 28 percent of its budgets, none in the past 25 years alone. And the Federal deficit has soared.

Mr. Chairman, what this line-item veto does, and this is what everybody ought to listen to, is reverse existing law that allows Congress to reject a President's request to cut pork barrel spending without even taking a vote. That is what the law is now. Without even taking a vote, we can reject the President's request to cut spending.

In other words, Congress can block the spending cuts by doing nothing. This line-item veto reverses that procedure by saying that the cuts go through unless Congress votes to disapprove the spending cuts. Do you not think that is going to make a difference, ladies and gentlemen?

I urge the House to vote for this bill in its strongest form, with no weakening amendments, and there are 31 of them out there. President Clinton has asked Congress to send him the toughest item veto bill we can, and this is the toughest veto bill we can if we do not allow weakening amendments to go through.

Members, you know what the American people want, they want you to vote for this line-item veto. Do them and yourself a favor by doing it.

Mr. GOSS. Mr. Chairman, I reserve the balance of my time.

Mr. BEILENSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. I thank the gentleman from California [Mr. BEILENSON] for yielding this time to me.

Mr. Chairman, I listened with great pleasure to the gentleman from New York [Mr. SOLOMON] and his explanation of the legislation we are about to pass here that may be such an assistance to balancing the budget. I wish it were just so simple, and I wish that there had not been a weakness on the part of not only the Congress but the President for these last 14, 15 years to reconcile where America should be. But the worst thing about this debate is we are dealing with the balance of power that the Founding Fathers warned about when they structured the Constitution of the United States. And before we change that balance of power it seems to me even though we may not win, I suspect there are 230 votes at least in this House that will pass this bill, but before we do that I would hope this debate brings out the proposition of what it will do to America and the American constitutional form of government and the intentions of the Founding Fathers as they say down in Philadelphia, in my home State, and evolved how a democratic citizenry could make the proper judgments through their representative officials to spending money, the taxpayers money.

Article I of the American Constitution does not say that the President of the United States shall establish such expenditures as he deems necessary and shall carry out those expenditures without any further action. As a matter of fact, Article I says the power to expend money, the taxpayers money of the American people, shall reside in the House of Representatives, the house that represents the people.

The President represents the Nation as a whole. We as individuals represent our individual constituents. And we come together as a body by majority consent to expend the taxpayers money. Yes, it is a give and it is a take, it is a moderation. Sometimes it is abused, but let us look at the historical significance of that abuse.

In the last 20 years Presidents of the United States have sent rescissions to Congress of no more than $70 billion. That is about $3½ billion a year out of a $1,500 billion budget. Hardly significant. But the Congress responded by cutting $20 billion more, or $4.5 billion a year on average, a full 25 percent more per year than any President requested.

Does that speak well for the Congress or for the President? Quite frankly, I do not think it speaks well or poorly about either. Because when you are talking about $3 or $4 billion in a $1,500 billion budget it is hardly a traceable item, and it is a very fine distinction as to whether or not the peoples' will in one region, area or State of the country have some ability to get relief through the Congress that the President does not necessarily see in the national interest or toward his political agenda.

We are putting through a change in the balance of power here so that we take the appropriation process out of the House of Representatives and, to a large extent, we transport it down to 1600 Pennsylvania Avenue and we put it on the desk of the President. Now if I had all the faith and courage in the world to believe we would always have a responsible President, a stable President and a President that had no political agenda or ideological agenda, I would say if we wanted to change the constitution that way, there are ways of doing it. But not necessarily being as optimistic as most Members of the House who will approve this bill are, I can foresee the day that what the President decides is a priority of expenditures for the American people may not be consistent with their Representatives' actions or intent.

□ 1200

Let us look at some examples:

Say California has an earthquake; say New York City has a major fire or destruction. What is the sympathy in the Congress of the United States to allocate amounts of money for California or New York and, if we do it, may have to expend above and beyond the balance of the budget? But a President who looks at those two States and sees no political ramifications if he disavows that expenditure, could just as easily strike that expenditure from the budget, and we would have no recourse unless it were brought back to this House and passed by a majority of the House. And then we say, "Well, that's not unreasonable," and I agree.

Mr. Chairman, that would not be bad, but the gentleman from New York [Mr. SOLOMON] indicated that was the remedy, that the majority of the House of Representatives could overrule the President at will. That is not true, Mr. Chairman, because the President has the opportunity to veto that measure, and to override that veto it requires two-thirds of the House of Representatives and two-thirds of the Senate, a majority that is overwhelming and seldom had, and, quite frankly, if we had that ability today, we would not be

talking about a piece of legislation for the line-item veto. We would be talking about a constitutional amendment to the Constitution.

Now what are the promises here and what are the threats? The threats, I think, are major. They are a shift of power. I say to my colleagues, "Now quite frankly, when you look at what's happened in this Congress in the past few days and in Washington for the last few weeks, you begin to realize that my friends on the majority party are saying there is such a mandate swelling from the people that we significantly want to change the structure of our government." I am not sure in my district, where 67 percent of the citizens voted for me, they sent that kind of a mandate, that they want a shift of power that is so significant away from the House of Representatives and the Congress to the Presidency.

But, my colleagues, just a sidelight here. I say to the gentlemen on the majority side, "This power you are giving the President today? the President exercised extraordinary power yesterday in solving the Mexican bailout, and I've watched some of the leadership on the majority side and a lot of the new freshman Members start to question his constitutional authority and statutory right to do it, and I agree with them. That's a question that should be tested. But if we follow down this line that the President should allocate and appropriate funds at whim and will without statutory authority or with statutory authority that cannot be withdrawn, the Mexican bailout is just the beginning of arbitrary power and reckless power exercised by a President if you happen to sit on this side of Pennsylvania Avenue."

Now, as my colleagues know, we have a remedy. We have several remedies.

One, the Congress can come into power and pass one resolution, but the President shall set such taxing rates, as necessary, to accumulate the sufficient revenues of the United States so that he may cover the expenditures made in any appropriate appropriations he deems necessary for the carrying out of the powers of the U.S. Government, and, if we pass that by unanimous consent, and the President signs it, hey, we can go home probably on January 5. It is all over. We do not have to do an awful lot more. A major part of the process of the Congress of the United States is the allocation of expenditures of money, and the receipt of revenues and the rates of how we set that to try to be fair, equitable, in proportion among our people. But if we really want a corporate efficiency where the CEO calls the shots, I ask, "Why don't we just take the First Article of the Constitution and say, 'Henceforth anything exercised in this by the Congress can be exercised by the President? We stand by it' and make it impossible to reverse." I know we do not want to do that.

There is another remedy. I say to my colleagues, "Gentlemen, if you really want to change the Constitution to provide for the balanced budget amendment which does an accounting process, a fiscal responsibility process, a process in the most sacred document, if you want to hand off to the Chief Executive the authority to appropriate, if you want to stop the authority of the National Government to have national standards and to require at some times and under proper conditions that States have to conform, municipalities have to conform, if you really want the executive and the legislative branches of this Government to operate in tandem, what you really want is a constitutional convention to change the Constitution of the United States and establish a parliament."

We are quite distinct from parliamentary forms of government around the world because our framing fathers, I think with exceptional wisdom, recognizing the ability of people who exercised sovereign power to abuse that power sometimes; so, they sever that power into the three branches of government, making us equal and distinct, but counterbalancing one another so that ultimately the will of the people, without revolution, can be heard and make the proper corrections.

Now I agree with my friends in the majority that we have had excessive, sometimes wasteful, sometimes abusive, expenditures. To deny that proposition I think would be to face facts and to deny the existence of those basic facts, but the question is: what kind of a repair should we make and how delicate that repair should be. Quite frankly this provision would allow one-third of this Congress to continue down the road and support the President at any execution of his—rescission of appropriations at will, and we could not reverse it, so that 67 percent of the elected Representatives of the people could not carry out the people's work, but one-third of the elected Representatives, in conjunction with the President, could accomplish that.

Mr. SOLOMON. Mr. Chairman, would the gentleman yield?

Mr. KANJORSKI. I will in just one moment.

Now the other proposition is that—

As a matter of fact, Mr. Chairman, I yield to the gentleman from New York [Mr. SOLOMON] because I am moving on to another subject.

Mr. SOLOMON, Mr. Chairman, I just want to say this the gentlemen from Pennsylvania [Mr. KANJORSKI] is so well respected in this body. But I just want to say to him:

"One of the reasons we are going with a statute, as opposed to a constitutional amendment, is because a law that could be rescinded if it doesn't work. Let's give it chance, and try it, and let's see if it works."

Mr. KANJORSKI. Mr. Chairman, I say to the gentleman, "Mr. SOLOMON, that was a question I couldn't even exact out of my sight."

One of the reasons I am taking the time today is I sat on the committee that drafted this. We discussed it, I thought about it at great length, and I am satisfied that we can exercise and delegate to the President substantially more authority, but the weakness that we have is we can never reclaim that authority once delegated.

Now I am not going to pass on the constitutionality of the delegation authority. That is for the Supreme Court to do. There is no question in my mind we can pass this statute, make this delegation of authority, but our problem, gentleman, is how do we get it back if it has been abused, and that is the point I am pleased my good friend from New York asked the question on.

We on our side have found the answer to that, and it is very prevalent in many States of the Union, and that is a sunset provision. I offered it in committee. I offered it with the gentleman from Texas [Mr. DOGGETT] on the unfunded mandate provision yesterday, and I am going to offer it sometime this afternoon in conjunction with him on this bill.

If we really want to see whether an Executive would violate our trust in our delegation of authority, we have to do something substantial; I agree with that. This bill does that. It is somewhat extraordinary, somewhat much larger than I would recommend we do, but I can understand my friends on the majority doing it.

But the one way that we can condition the responsiveness and the responsibility of the President to act appropriately with this tremendous delegation of authority is that, if he knows that if he abuses this trust we will put in him, then within 5 years the bill will cease to exist, and the authority given to him will cease to exist.

Now we are going to introduce that bill, and I think that is an insurance mechanism with no other repeal of the law because remember to repeal the law it is going to require two-thirds vote of the House of Representatives and the U.S. Senate because, I say to my colleague, "You can bet your life a President is going to vote this power once you give it to him." So we cannot ever reform or repeal this legislation unless two-thirds of the House of Representatives and two-thirds of the Senate agree, and we have not had those majorities existing that think in concert or in activity in this body since my historical memory goes back. I do not recall any time, any party, entertained in both Houses of Congress a clear two-thirds voting majority that they could change this legislation.

□ 1210

So the will of the people can never be implemented again unless we have the acquiescence of the President to sign and not exercise this right of veto.

What I am suggesting here is this: We have some minor adjustments. We have appropriation earmarks that bother us all. We have sometimes irresponsible appropriations and authority granted when those of us who rely on our colleagues are sometimes misunderstanding or given misinformation as to what the actual appropriation bills stand for, and there is not one of us who has not gone home and been embarrassed.

I remember a colleague from one of the southern States who put in an appropriation for a school in France in the late hours of the morning, and I got back to my district and somebody said, "How could you vote to give $20 million to a school in France that would have been illegal if you had given that money in the United States?" And quite frankly, I not only would not have voted for it, but I had to do it in one solid package in the entire appropriation. But then, too, I had to admit I did not know it was in there, in a 1100-page appropriation bill, until after the fact. And sometimes we are not even sure when it gets into the bill, whether it is before the vote or after the vote, because the bill generally does not get assembled at 11 o'clock at night when the conference reports are worked out.

We have all had those experiences, but to cure those limited experiences, to cure the study of the worm that the gentleman from New York [Mr. SOLOMON] talked about for $34 million does not justify a delegation of authority to the President that cannot be reclaimed in the future except with a two-thirds majority of the Senate. That is unconscionable.

We have the opportunity to pass a responsible, strong piece of legislation. I say that although in my basic nature I am against any action that would destabilize the balance of the three branches of government—and I think this will—I will support this bill and put faith in this President and in the next President for 3 years, but if there is an abuse, we know full well that we are going to have that cease and have to take action again to delegate that authority away from that President whoever he may be 5 years from now. I think that is a reasonable proposition

I urge my colleagues to stop marching across the bridge in such formation that they are going to bring the bridge and the Constitution down, that they are going to bring the system down. I would urge the 230 Members of the majority to think about the amendment that will be offered this afternoon on the sunset. It does not weaken their provision; it does not weaken the authority of the President. The only thing it does, it buys a 5-year policy, that if a future President or this President abuses that authority, the Congress would have to take no further action his authority for so acting would cease to exist 5 years from the passage of this bill. Is that so unreasonable?

And let me remind the Members again that there are strong feelings in the House on both sides. Did the President of the United States have the constitutional or statutory authority to act by executive order to appropriate more Federal tax money to guarantee the loans of Mexico, exceeding the total Foreign Affairs appropriation each year of this Congress? I think that is a question to be answered.

I do congratulate the President for taking extraordinary executive action, but that does not excuse him if he did it without statutory authority or constitutional authority. Luckily, in our system we will get to try that issue at some future date without affecting his ability to carry on foreign affairs or to reverse the action he has taken. But when we get down to every appropriation of every department, every agency, and every bureau, every program of the U.S. Government, I am not sure that we want to delegate that type of authority.

Quite frankly, in States that I have seen, some Governors have used this authority to force members of the legislature to come to their conviction or activity or to punish them by deciding to spend no funds in particular areas by the exercise of their line-item veto.

I urge my colleagues on the Republican side and my colleagues on the Democratic side, because this is really a bipartisan effort, to come to grips with our deficit and our debt and the inability sometimes of this Congress to act appropriately. So what I am suggesting, Mr. Chairman, is that the Members on the minority side have a vote for as stringent or as hard a bill as I think we could imagine they can get by statute, delegating extraordinary powers to the President of the United States. The only insurance policy I am asking for is, let us limit that delegation of authority to 5 years, and if there is abuse, we may not be able to change that law because we may not be able to override a veto by a two-thirds vote of the House and a two-thirds vote of the Senate, but at least we can know that that abuse and that arbitrary action of that Chief Executive, whoever he may be, can only occur while the statute will have full force and effect, and that it will be sunsetted by a provision in that statute.

I urge my colleagues to support that amendment when it is offered, and further, I urge my colleagues to have a good debate on this question. I think it is important. I think the American people do want to see responsible government. I think we have had an opportunity here in the last days of the unfunded mandate debate, and I want to compliment my friends on the Republican side. I saw an ability to start moderating things by taking the fact that we did have some ideas on this side that did help perfect and improve the legislation.

I think the people of the United States, including, quite frankly, people in my district in Pennsylvania that I have talked to, want this center aisle to disappear. They want us to get off the idea that what is good for the Republicans is bad for the Democrats and what is good for the Democrats is bad for the Republicans. They want us to ask the question, "What is good for America?"

I think what is good for America is to put the tools together to help get control of our fiscal situation in the United States, but, on the other hand, they do not want us to so unbalance the fine-tuned balance between the three branches of the American Government under the Constitution that we might work havoc on the very system we were sent here to defend.

Mr. CLINGER. Mr. Chairman, I am now pleased to yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE], a prime cosponsor and author of this important legislation.

Mr. BLUTE. Mr. Chairman, the time has come to pass a real line-item veto for the President. Proposals for a line-item veto have been kicking around Capitol Hill for decades.

Two years ago, the line-item veto lost by only 21 votes, last year by only 13 votes.

This year, we have an opportunity to finally do what we should have done long ago. And I believe that we will win. Because Congress, along with people from all over America, has come to realize that in order to get our budget under control we need to give the President this fiscal tool.

The line-item veto is an important step in the direction of positive change and fiscal sanity. We must do it, and we must do it now.

Make no mistake about it, the real line-item veto is the only way to go. Do not be fooled by calls to pass a watered down version as the 103d Congress did—it did not work and it will not work now.

Expedited rescission is not the line-item veto. The only real line-item veto bill on this floor today is H.R. 2.

The Clinger bill is the only one which forces the House to override the President's veto by a two-thirds vote. And thus, it is the only way to prevent this House from spending taxpayer dollars on pork projects inserted into bills in the dark of night or during conference—times when Members know that a majority of this body will never have the opportunity to take a separate vote to strike questionable projects.

Mr. Chairman, let us face it, sometimes we in Congress cannot help ourselves. We want to help our districts with earmarks and the like, and we think that it is no big deal in such a large Federal budget.

But it is a big deal, especially when you multiply those $500,000 or $1.45 million expenditures by 435 House Members and 100 Senators.

99-059 O—97 Vol. 141 (Pt. 3) 17

Senator Dirksen was right when he said, "a billion here, a billion there, and pretty soon you're talking about real money."

Unfortunately, when we now speak of our national debt, we are talking trillions, not billions. Even Senator Dirksen would have been shocked at this sorry fiscal situation.

We know that the line-item veto works in the States, the laboratories of democracy. It has been field tested with highly successful results and it is time to apply it to the national model.

And let us not get sidetracked with arguments about tilting the balance of power—the fiscal balances of our great Nation have tilted toward debt and deficit too long.

Mr. Chairman, let us pass the line-item veto bill.

□ 1220

Mrs. COLLINS of Illinois. Mr. Chairman, I yield 4 minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Chairman, I serve on the Committee on Government Reform. I have heard the arguments for and against the line-item veto. I have read numerous reports and analyses. I have heard from my constituents and from my colleagues, both pro and con, and noted arguments ranging from James Madison's intent 200 years ago to concerns about balancing the budget.

The question that keeps coming up in my mind is what is the rationale for the line-item veto? Why is the House so anxious to alter the constitutional balance of power between the legislative and executive branches? Why? Why are we so anxious to bolster the power of the President and to bolster the power of a minority of the House at the expense of our constitutional power?

It is a very scary initiative, Mr. Chairman, the initiative that you will find in the line-item veto bill.

I think that this line-item veto bill is a constitutional equivalent of the huckster's snake-oil cure of years gone by. The claims are inflated, they are exaggerated, the content is questionable, the results are unknown and unpredictable. No one has tested the impact, either fiscal or otherwise, of a line-item veto power being given to our President.

I shudder to think of some of the Presidents we have had in history having the enormous power which we will give him through the line-item veto.

Some people seem to think we need it. The claim is that this bill will reduce Government spending. It seems to me that at the very best, Mr. Chairman, this bill has only the potential to reduce Government spending. The potential rests right here, Mr. Chairman, here in the Congress, with or without this amendment. That is why we were elected. Each of us has 600,000 constituents. They elected us to make the decisions we are trying to give to the President.

Mr. HOKE. Mr. Chairman, will the gentlewoman yield?

Mrs. MEEK of Florida. I yield to the gentleman from Ohio.

Mr. HOKE. I appreciate the gentlewoman yielding.

I would answer the question as to why we have to do this now. It is because we are $5 trillion in debt, and we spend and spend and spend and spend, and the pendulum has to swing back.

You say there are no models, but I would suggest to you that this has been used repeatedly. We have got 43 States that have some form of a line-item veto, and there have not been problems in those States. It has just given the Governor additional power.

Mrs. MEEK of Florida. Mr. Chairman, I must reclaim my time. I would like to say I come from a State that had the line-item veto. We have had Governors abuse that power. There is the potential there.

To me, if there is just that small potential of abusing that power, I feel that we should keep that separation of power.

Mr. Chairman, did not this body, with great fanfare and expectation pass the Gramm-Rudman bill in 1985 to get control? That did not work. We passed the second Gramm-Rudman-Hollings bill, that did not work. We passed the Budget Enforcement Act in 1990 to do the same thing, to control the skyrocketing Federal deficit. Here we are today still hoping.

We have enough procedural things behind us, Mr. Chairman, to stop spending. It is up to us as the Congress to do this, and not to give the President these enormous powers. Why are we going to cede our legislative powers to the executive branch?

Why empower a tiny minority, just one-third of the House, to control the aspects of Government policy, large and small? We must be sure that we keep the powers that the Constitution gave to us.

I came to this House after 129 years of not being able to get here, to participate in the governance of this Government, not to give up the legislative branch powers to the executive branch.

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the blizzard of numbers and figures that define our annual budget deficits and the accruing national debt sort of tends to numb us. It is a sort of my-eyes-are-glazing-over type of situation. We talk about the billions, the trillions, the several hundred billion dollar annual deficits we face, the $4.5 trillion in rising debt we are passing along to our children. These aggregate numbers can often seem very far away and unreal, especially when you are standing in a wonderful place like this.

But when we bring those numbers down to the individual level of our daily lives, when we realize that our debt translates into approximately $18,000 of liability for every man, woman, and child right now, today, in our country, that is a tremendous burden to carry.

I heard testimony yesterday in the Committee on Rules that, well, it is not really that bad, because we have all these national treasures out there that we can use as assets to offset that debt. I do not know whether there is a distinction there about cash flow or not, but I have not heard any serious proposals to sell Yosemite or the Grand Teton Park or any of those places, so I would suggest those may be assets, but they are not liquid assets, and that $18,000 of liability is real. And it is real at tax time, because we are paying a huge, huge interest on an incredibly enormous national debt. It is a problem there with real weight that Americans have felt increasingly over the years.

The time has come. I think the need to change the process has been expressed, and the outrage against politicians, frankly, who have not taken corrective action. And we are the people. We are those politicians.

That is why an overwhelming majority of Americans support a balanced budget amendment and a line-item veto. And they are fiscal tools, we admit that. They are not magic remedies. They are fiscal tools that will help bring the Federal budget process under control.

Today we begin the task of implementing a line-item veto. It is a milestone clearly in the mission of budget reform. It is not the only one. For all the rhetoric in the past years, this House has never demonstrated its commitment to a real line-item veto, one which actually makes it harder to spend money than it is to save it.

We have always tilted it the other way. We have made it easier to spend than to save. Today the policy issue is if you want to save it, go with the tougher version, the version that is in H.R. 2. If you want to spend it, go with the amendments that are going to try and gut it and make it easier to spend it. That is the policy issue.

Some can say it is an issue over 72 votes. Some can say it is an issue over whether or not there is a shift in Government power. What it is, is an issue over whether we are going to spend or whether we are going to save.

We have voted on measures in the past that have been labeled "line-item veto." They are not real line-item veto. We have never passed a bill that shifts the burden, that requires Congress to say "no" to a President's spending cuts and force Congress then to come up with a two-thirds majority to make that "no" stick and spend the money that the President wants to cut.

These are tough measures, I admit it. They are the tough measures the President asked for. But our budget problems are tough problems, and they are

the ones that the people we work for, the American people, have brought to our attention, most recently in November.

We have a system where it is just too easy for low priority or wasteful programs to make their way into massive spending bills and onto the President's desk where they do slide into law because he has got to sign the whole bill. No one would argue that a line-item veto on its own will make our budget problems disappear. No one is claiming that. But clearly our fiscal crisis goes much deeper than the abuses we have seen of the appropriations process and discretionary spending.

I am amused today to see that we are going to have an amendment that suddenly we are going to open the door and all the skeletons are going to fall out and we are going to find out somehow or another there somewhere have been abuses. Imagine that. I am delighted for that opportunity to review those abuses, because once we review them, maybe we can stop them.

Still, H.R. 2 marks the beginning of a monumental effort to change the way Congress does business and restore public confidence in its ability to manage the Nation's finances. This is one piece of the puzzle, and it is a necessary step on the road toward better management which we are asked to achieve here as part of our public trust.

H.R. 2 says to Congress that if a President wants to line out certain spending, the Congress cannot hide anymore. Unlike current law, which allows Congress to ignore a President's spending cuts and get away with spending the money, under H.R. 2 the Congress is going to have to come out into the sunshine and make its case. The harsh glare of accountability, coming up with that extra level of support to insist on spending what the President opposes. Remember, insist on spending when the President says don't spend it. That is the issue.

During the course of this debate we will hear principled arguments from people who strongly believe that the line-item veto gives too much authority to the President. It is an interesting argument; it is an important argument, but it is not the main issue.

We will hear that we should set up an approval process instead, so that a simple majority of Congress can block a President's spending cuts. I understand that argument and respect its proponents for their commitment to preserving the institutional power of Congress. But I believe, and I truly believe this, that the American people have asked us to deliver the toughest possible line-item veto, one that makes it harder to spend their hard-earned tax dollars and easier to save the money.

□ 1230

That is what we pledged to do in the Contract With America, and that is what H.R. 2 delivers to the floor.

Mr. Chairman, I reserve the balance of my time.

Mr. BEILENSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I thank the gentleman for yielding time to me.

This, again, is a bill that responds to the American people. The American people think that one of the answers to the problems in American is to give the President extraordinary control over the Congress. Well, it is going to pass. But I would like to remind my colleagues of some of the potential pitfalls of it and also to emphasize some areas that drastically need improvement.

One of the flaws in this bill is that there is a little-known provision that says that the President can only line-item veto tax provisions that affect 100 or fewer taxpayers. I would submit to my colleagues that the real abuse of the taxpayers' money is not on the expenditure side, it is on the tax side, because on the expenditure side, we have to go through the scrutiny of appropriations committees. Invariable every questionable item gets debated on the floor of the House of Representatives, exposed to the public, that is the way it ought to be, and for the last several years has been defeated. But not so with tax provisions. Those we can sneak in. We sneak into a tax bill thousands of pages, and all it takes is a little line. Hundreds of billions of dollars of taxpayers' money is lost because we do not scrutinize what is in this Tax Code in terms of special privileges and because of the very nature of the tax process.

Every single tax bill is a Christmas tree, a giant Christmas tree that contains thousands of provisions that make it impossible for us, any individual Member of Congress, even the chairman of the Committee on Ways and Means, I would suggest, to know what is in that entire tax bill.

Let me tell my colleagues, if I were to be a lobbyist, I would want to be a tax lobbyist. That is where the money is. That is where they can make the changes that really benefit their client in a big way and sneak it in, and it is there forever.

This bill keeps those special privileges in the law. This bill says that if any special provision benefits 100 or fewer people, then the President cannot do anything about it. Well, those are exactly the tax provisions that he ought to be able to veto, because those are the special privileges, the tax preferences, for example, that may benefit 101 billionaires, 101 oil drillers, 101 chemical or pharmaceutical companies. And do not for a minute believe that the tax lobbyists do not know exactly what they were doing when they put that provision in this line-item veto, just as they knew what they were doing when they put it in every tax bill.

So if we are going to pass it, let us do it right.

Now, the gentleman from South Carolina [Mr. SPRATT] and I have an amendment to correct this. I would hope that every Member, there are a few Members in this hall, but I would trust there are more Members watching this, they may call their Member and Members that are seeing this, please, when the gentleman from South Carolina [Mr. SPRATT] speaks, listen to him carefully. He has a compelling argument for why this provision has to be included in this line-item veto, if it is going to be a bill that reflects any real integrity of this body.

The second concern is even a more fundamental concern. For the last several years, any taxpayer that wanted to lash out at the Congress, many of us would grab the lash first and say, "No, wait, let me do it. I will lash myself and all my colleagues, too, and I can do it so it hurts even more than it would hurt us if you do it, because I know where it will really hurt."

We have been bashing ourselves. And now, in keeping with that effort, what we are going to do is to give over the power of the purse, we are going to give it to the President.

Now, some years that is going to be fine, if we are in the same party as the President in the White House. Other years we are going to realize it never should have been done. But in the long run, the American people are going to realize that this Congress will have seriously tipped the balance of powers that our forefathers insisted upon, understood how important it was. They put it into our Constitution, and we are essentially going to take it out.

So I would hope we would think long and hard before we give such extraordinary power to the President to punish individual Members of the Congress, to punish the Congress as a body, but most importantly, to be free of the balance of powers that has made this the greatest democracy on Earth.

Now, there is a specific additional issue with regard to separation of powers, and that is one that goes back through American history to understand.

There was a day when a President of the United States could take the budget from the judicial branch of government, put it together, change it and submit it to the Congress. And, of course, when something can be abused, invariably at some point it will be.

Well, it was a Democratic President, and that Democratic President, when he could not pack the court and when the court did not agree with his New Deal legislation, he decided he was going to take away the court's money for bailiffs, to take away the court's travel money, to punish it, the court, in every way possible. And he did that.

And so a law was passed in 1939 to say the executive branch cannot change the operating expenses of the judiciary branch. It has to be left to the legislative branch to do that because the legislative branch does not have the same conflict of interest.

Now, today, when the Justice Department is the principal litigant before the Supreme Court, when there is the greatest potential for conflict of interest, we are going to go one step further. Not only are we going to repeal the intent of that 1939 law that has still been on the books for good reason, we are going to say, after the Congress has acted on the appropriation for the judiciary branch of government, the President can go in and repeal, can veto, can do anything he wants or she wants, some day, to any operational function of the judiciary branch.

And not only can he do it on a line item, as the chairman of the committees mentioned earlier, he can reach right down into any aspect of any line-item appropriation and specifically pull money out, can specifically punish a particular circuit court that needs to expand or judge that needs more clerks, can do any number of ways to punish the judiciary branch of government. Talk about breaking the concept of separation of powers.

□ 1240

Talk abut making this country's democracy vulnerable to people who would like to abuse it, that is what we are opening ourselves up to.

Mr. Chairman, I have an amendment that will be coming up very shortly that would not allow the President to do that. It is not that we do not trust the President, but we trust our Founding Fathers more. We trust the U.S. Constitution more than what we will do today or this year or during this first hundred days. We trust the Constitution, our Founding Fathers, to know what is right and to know that the separation of powers is intrinsic to the operation of this government.

We have some very serious problems with this bill. I respect the people who put it together, but I know we are going to have a constructive debate on those provisions. I thank the gentleman from California [Mr. BEILENSON] for yielding me this time.

The CHAIRMAN. The time of the gentleman from California [Mr. BEILENSON] has expired.

Mr. CLINGER. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from New Jersey [Mr. LOBIONDO], a member of the committee.

Mr. LOBIONDO. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding time to me.

Mr. Chairman, this month we have taken the historic steps toward requiring government to live within its own means by passing the balanced budget amendment. Today we have before us another tool to cut spending, the line-item veto.

Many of us recognize that we live in tough times. Tough times require bold initiatives and bold leadership. H.R. 2 is a bold initiative that demonstrates bold leadership.

I do not believe we can any longer hold the taxpayers hostage by including wasteful and at times silly spending in important legislation. Right now we put the President in the position of signing a good bill that has wasteful spending in it, or vetoing the wasteful spending, or vetoing a good bill to get the wasteful spending out of it. It is not a good situation.

Mr. Chairman, H.R. 2 will change this. It does not give the President the authority to rewrite the budget or to spend money on something else, but it does allow the President to cut out pork barrel spending for one reason and one reason only, to reduce the deficit. That is what we want to get at.

In my home State of New Jersey, like 42 other States across the Nation, we have a line-item veto for our Governor. It works in New Jersey, and it can work in the U.S. Congress.

Line-item veto is another tool for deficit reduction. We all agree that we need to reduce the deficit.

We have been working in a bipartisan nature to provide positive and meaningful change to the American people. Let us continue that bipartisan effort. Let us vote for deficit reduction by voting for H.R. 2.

Mr. CLINGER. As a point of inquiry, Mr. Chairman, may I inquire how much time is remaining for all participants in this debate?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. CLINGER] has 23½ minutes; the gentlewoman from Michigan [Miss COLLINS] has 18 minutes remaining; and the gentleman from Florida [Mr. GOSS] has 19 minutes remaining.

Miss COLLINS of Michigan. Mr. Chairman, I yield 3½ minutes to the honorable gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, we may differ on whether the line-item veto will reduce Federal spending. For example, Pennsylvania has a line-item veto. Its total debt has tripled since 1982, growing from $6.2 billion in 1982 to $16.5 billion in 1994. For all of the States, total debt has doubled in just 8 years, growing from $186 billion in 1984 to $372 billion in 1992.

At a hearing last month on this bill, Mr. Chairman, the director of the Congressional Budget Office testified: "Evidence from the States suggest that the item veto has not been used to hold down State spending or deficits, but rather has been used to State Governors to pursue their own priorities."

Mr. Chairman, I had the honor of serving in the Pennsylvania Legislature prior to being elected to the Congress. The experience from Pennsylvania demonstrates how the executive branch can use this power.

In the 1983–84 fiscal year, the Pennsylvania Legislature initially refused to adopt the budget submitted by the Governor, including his proposals to increase taxes. The Governor responded by cutting from the State Senate 62 percent of the Senate's budget, including Senators' salaries and expenses, and by completely eliminating salary and mileage expenses for Members of the State House.

This episode has affected all subsequent negotiations between the legislature and the Governor, not just on budget and taxes but on nonspending bills.

While the President may know the most efficient way to run the executive branch, he does not know the most efficient way to run the Congress. Indeed, a future President may want to make Congress less effective in its oversight of the executive branch.

The appropriations bill for the Congress provides funds so that the Congress can hire staff, such as the General Accounting Office and the Congressional Budget Office, to do its job, even though frequently their jobs involve presenting conclusions that the President dislikes. This function is different from what the report of the Committee on Government Reform and Oversight says it is seeking to eliminate in H.R. 2, which is called "log roll, pork barrel projects."

The appropriations bill for Congress is also more detailed than the appropriations bills for the executive branch agencies. The committee's report says "We do not itemize appropriation bills and see no reason to do so. For the most part, Congress provides large lump sum accounts for agencies," but the appropriations bills for the legislative branch are very detailed.

Mr. FATTAH. Mr. Chairman, under the bill, the President says we can reduce funds appropriated for a particular House committee, perhaps in response to an oversight investigation by that committee.

In conclusion, Mr. Speaker, if we pass this bill and give up control of the details of our own budget to the President and a minority of the Senate, it is unlikely we will ever be able to reclaim it.

Mr. Chairman, I include, for the RECORD, a table showing the increase in debt for each State between 1984 and 1992.

The material referred to follows:

STATE GOVERNMENT DEBT OUTSTANDING AT END OF FISCAL YEAR

[Thousands of dollars]

	1984	1992
United States	186,378,896	371,800,683

STATE GOVERNMENT DEBT OUTSTANDING AT END OF FISCAL YEAR—Continued

[Thousands of dollars]

	1984	1992
Alabama	2,896,714	4,128,724
Alaska	6,529,672	4,941,602
Arizona	607,720	2,648,942
Arkansas	703,344	1,942,189
California	13,553,823	37,823,709
Colorado	1,256,257	2,977,116
Connecticut	5,489,783	11,956,902
Delaware	1,909,003	3,541,000
Florida	3,909,566	12,295,486
Georgia	1,842,122	4,470,781
Hawaii	2,512,093	4,656,763
Idaho	574,359	1,292,022
Illinois	8,636,544	18,741,830
Indiana	1,563,271	5,171,670
Iowa	651,311	1,863,947
Kansas	356,136	485,787
Kentucky	3,384,183	5,518,526
Louisiana	6,517,978	9,994,068
Maine	1,195,410	2,637,052
Maryland	4,761,182	8,334,061
Massachusetts	8,885,155	24,008,036
Michigan	5,222,480	10,356,583
Minneosta	3,388,868	4,143,203
Mississippi	1,025,222	1,626,737
Missouri	2,631,236	6,301,143
Montana	696,071	1,887,877
Nebraska	606,254	1,764,223
Nevada	864,520	1,934,144
New Hampshire	1,734,333	4,313,471
New Jersey	11,644,014	19,736,201
New Mexico	1,150,884	1,605,048
New York	29,390,713	65,888,432
North Carolina	1,885,929	3,819,102
North Dakota	444,756	1,027,156
Ohio	6,664,321	12,193,154
Oklahoma	3,041,744	3,658,022
Oregon	8,544,694	4,296,060
Pennsylvania	6,637,824	12,962,120
Rhode Island	2,291,705	5,150,733
South Carolina	3,241,814	4,864,627
South Dakota	917,562	1,060,222
Tennessee	1,735,309	2,906,396
Texas	4,009,048	8,001,175
Utah	1,200,096	2,153,233
Vermont	809,901	1,542,671
Virginia	2,901,912	7,402,641
Washington	3,098,219	7,191,966
West Virginia	1,633,392	2,594,324
Wisconsin	3,552,127	7,296,851
Wyoming	716,320	894,768

Mr. SOLOMON. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. DUNCAN], who is a lifelong resident of Knoxville, TN. He succeeded his father here, who was one of the most respected men in this House. He has been a fighter, since the first day he came to this body, for a line item veto, and he is finally getting his chance.

Mr. DUNCAN. Mr. Chairman, I rise in strong support of this line item veto legislation.

Mr. Chairman, I first want to thank my good friend, the gentleman from New York [Mr. SOLOMON], with whom I have worked so closely on this issue in the past, for yielding me this time.

Mr. Chairman, when we pass this legislation a little later, I think there is no one in this House who will deserve more credit for it than the gentleman from New York, GERRY SOLOMON. I congratulate him for his work on this very important piece of legislation.

Mr. Chairman, on the first day of every Congress since I was elected in 1988, I have introduced a line item veto bill that is almost identical to the one that we are considering now, H.R. 2. While past Congresses have been unwilling to pass a line item veto with real teeth in it, and in fact we passed one that the Wall Street Journal in 1993 called a voodoo line item veto bill, I am pleased that today we are on the verge of approving a line item veto bill that will truly be effective in reducing pork barrel spending.

Mr. Speaker, this is not a partisan issue. Forty-three of our Nation's Governors, both Democrat and Republican, already have the line item veto and are using it to cut spending in their States and balance their budgets. It is time for Congress to give this same tool to the President, so that he can eliminate the most outrageous examples of wasteful and unnecessary spending without vetoing entire appropriation bills.

The General Accounting Office estimated in 1992 that more than $70 billion of pork barrel spending could have been cut between 1984 and 1989 if Presidents Reagan and Bush had had a line item veto. The Cato Institute estimates that $5 to $10 billion a year could be saved with the line item veto.

Just last week in his State of the Union address, President Clinton highlighted some of the most absurd examples of pork barrel spending approved by the 103d Congress, and said "If you give me the line item veto, I will remove some of that unnecessary spending."

Mr. Chairman, I wish we did not need such things as a balanced budget amendment and a line item veto to bring our Federal spending under control. Unfortunately, however, Mr. Chairman, Congress has proven time and again that it does not have the will to cut spending on its own. That is why legislation such as H.R. 2 is so very necessary today. If the Congress does not really want to cut spending, it will have to say so and say so publicly.

Mr. Chairman, with a national debt of over $4.7 trillion, we simply cannot afford to withhold this important tool from the President any longer. Former Senator Paul Tsongas, writing in the Christian Science Monitor a few months ago, said that if present trends continue, the young people of today will face average lifetime tax rates of an incredible 82 percent. We must do something about this to give a good economic future to our children and grandchildren.

This will not solve our problems by itself, but it will be a big step in the right direction. I urge passage of this very important legislation.

□ 1250

Mr. BLUTE. Mr. Chairman, I yield 2 minutes to a distinguished former Governor, the gentleman from Delaware [Mr. CASTLE], who is a great leader in the line item veto fight and is the only Member of this Congress who has actually wielded a line item veto.

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding me the time.

I also, by the way, congratulate the Committee on Rules and all those who discussed this, because I think this is an important piece of legislation, a little more complex than some people realize, and I think the amendment process will allow that discussion to take place. I think we are going to have a good time with that and perhaps learn a lot about it.

I also think that the statutory line-item veto is a good step. I believe in the double-step process. I believe that a President should understand if he or she vetoes something, it is going to come back over here and if indeed it is overridden by a majority, a veto would have to happen again, and it would be a two-thirds vote at that point. I think that is going to make people sit up and take notice.

The history of the line-item veto in the United States of America is long and is very important. It was first proposed by President Grant in 1873 and by more than a dozen Presidents since. Ronald Reagan said as Governor, "I found this item veto is a powerful tool against wasteful or extravagant spending." It was introduced in this body in 1876 and there have been 200 resolutions since that particular period of time.

It has a significant history. I did exercise the line-item veto as Governor of the State of Delaware. President Clinton did it as Governor of the State of Arkansas. We know that 43 Governors have this. I do not know of a single State that is trying to rescind it. I do not know of a single legislature or Governor who is really fighting it.

What it really means, in truth, is that you sit down and work out your budget together and you bring the executive branch into the process. After all, the executive, or the President in this case, presents a budget, the President lives by the budget, and the President is the one that has to carry it out with their various agencies.

I think the President should be involved in setting that budget process and also, if there are the pork-barrel projects that we hear about, I believe the President of the United States should be the one named as an involved party and having been a party to that. That is what happens in this particular instance.

This will in my judgment address unnecessary expenditures. But it will not balance our budget. It is not going to do that. I do not think we should overemphasize that.

I finally do not think that this is an extreme shift of activity as we have heard from time to time. It is really not much of a power tilt. In fact, I think the President may underutilize it rather than overutilize it.

I would encourage all of us to support the line-item veto legislation.

Mrs. COLLINS of Illinois. Mr. Chairman, I yield 5½ minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. I thank the gentlewoman for yielding me the time.

Mr. Chairman, the bill before us passes up a practical solution, expedited rescission, which this House has voted for on 3 separate occasions, a solution that is clearly constitutional, and takes up instead a novel solution that is constitutionally in question.

I know that the Congressional Research Service has sifted through all the case law on delegation of powers and come to the conclusion that this bill is probably constitutional. But as Judge Bork put it in an article he wrote some time ago about the line-item veto, "A solution that nobody has thought of for 200 years has the burden of persuasion, especially in constitutional matters."

Those who claim that we can give the President line item veto authority bear the burden of explaining to us how we can amend the Constitution by statute. They have to explain to us in all fairness, I think, why it is that no President has ever noticed that he had this authority implicit in the Constitution for over 200 years.

Let us start with George Washington. He presided over the Constitutional Convention. When he was asked what were his powers under the presentment clause, he answered succinctly.

"From the nature of the Constitution," said Washington, "I must approve all parts of a bill or reject it in toto."

William Howard Taft was both President and Chief Justice. He once wrote, "The President has no power to veto parts of the bill under the Constitution and allow the rest to become law. He must accept it or reject it in its entirety."

Where Judge Bork and William Howard Taft have refused to tread, the authors of this bill rush in. In effect, they say, "Even if the Constitution doesn't give the President this power, Congress can confer on the President by statute powers that the President doesn't have under the Constitution."

The bill does not use the words, but the device it employs to confer the item veto power upon the President is delegation. In essence, this bill delegates to the President the power to cancel out items in a bill in lieu of vetoing the bill in its entirety.

So this bill takes giant strides. It shifts enormous power to the President by delegation and it is so broad, so unique, so unprecedented that I think it fairly begs the question, "Is it constitutional?"

Fifty years ago, the Supreme Court said, "Sweeping delegations of legislative power are unconstitutional."

I know that a lot of water has flowed over the dam since the Schecter decision came down, and that Schecter has mostly been honored in the breach, as our courts have increasingly upheld delegations of power that have become broader and broader with time.

But 7 years ago in Bowsher versus Synar, a case dealing with the budget authority of the Congress, dealing specifically with sequestration, which was much like a veto, the Court issued a caveat for us to beware of. It said,

> The ultimate judgment regarding the constitutionality of a delegation must not be made on the basis of the scope alone but on the basis of its scope plus the specificity of the standards that govern its exercise. When the scope increases to immense proportions, the standards must be correspondingly more precise.

This is the caveat sent to us by Bowsher versus Synar, the caveat we should heed here. The broader the scope, the stricter the standards.

There is no question about the scope of this bill. It is immense, it is broad, it is as big as the powers of 13 different appropriation bills that we pass every year, all discretionary spending.

In effect what we are saying here is the President can choose to do whatever he pleases with 13 different appropriation bills adopted into law each year by the Congress.

What standards, what guidelines control what the President can do? What tells him where the purpose of Congress lies?

First of all, this bill says that when the President cuts out spending, or rescinds, the rescission must reduce the deficit or the national debt and limit discretionary spending.

But, ladies and gentlemen, that is tautological. By definition, anything that cuts spending will reduce the deficit. So this is not a standard.

Next the bill says the rescission must not impair essential governmental functions or harm the national interest. What does that mean?

The standard is so subjective that the President can fill it any way he wishes. It is so vague that it is meaningless.

I know that in decisions from J.W. Hampton to Mistretta dealing with the sentencing guidelines, courts have allowed Congress to hand over enormous power to the executive branch, the broadest sorts of power, the broadest kinds of discretion, but it is to carry out policies that we spell out and enunciate.

The difference between all those cases and this bill is that this bill delegates to the President the power not to carry out but to cancel out legislative policies, not just to execute the will of Congress but to, when the President wishes to, eradicate the will of Congress.

If we want to add a line item veto to the President's powers, then I think the right way to do it is to amend the Constitution. Until we have amended the Constitution, the best way to give the President the equivalent of a line item veto is by enhancing and expediting his authority to rescind. We will offer in the course of this debate amendments to do just that.

Mr. GOSS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I rise in strong support of H.R. 2, the Line Item Veto Act. It is an important tool in the battle to reduce the spending that will be given to the President through the line item veto authority.

I particularly appreciate the time yielded to me today by the distinguished gentleman from Florida, because it is an opportunity to speak on what has been for me a long-time commitment to my constituents, a contractual arrangement, you might say.

For more than 10 years now, I have been saying in response to my constituents' concerns that I think there are two fundamental changes that must be made to deal with our continual deficit problem: One is the balanced budget amendment and the other is the line item veto for the President.

□ 1300

So, since 1985 I have been cosponsoring legislation which would grant the President the line-item veto. It has been frequently mentioned that 43 Governors have this tool at their hand, and it has been well used in those States. In fact, in my home State we have an extraordinarily powerful version of it. We can actually have our Governor mark down expenditure items, not only mark them out.

It will enable us through the President's authority to strike a pen to the pork barrel projects that too often find their way into appropriations bills. This power given to our Governors in 43 States has been a successful tool in discouraging unnecessary expenditures at the State level. I think the President can be well vested with this power as well.

I urge my colleagues to support this legislation. It is one of the fundamental, institutional changes we can and must make. Obviously, with only one balanced budget in the last 20 years, we not only need a balanced budget amendment, we need this kind of institutional change as well.

Mr. BLUTE. Mr. Chairman, it gives me great pleasure to yield 2 minutes to the gentleman from Washington [Mr. TATE], a new member of the Committee on Government Reform and Oversight.

Mr. TATE. Mr. Chairman, this legislation is of monumental importance to our country. As a cosponsor, as many other freshmen are, we are keeping our commitment to the Contract With America.

The line-item veto means cutting spending, shrinking government and that was the message last November.

The line-item veto provides a powerful tool for Congress to control spending to eliminate pork barrel legislation, and it is part of our Weight Watchers diet for Congress.

The line item veto comes on the heels of the balanced budget amendment, another way to reduce the deficit, another way to get Government out of our wallets.

The time to act is now. Congress must get its house in order, because the American people are tired of more of their money going for wasteful government programs and they are weary of the excuses by Congress for the spending. It is out of control.

We have heard many times the national debt is over $4½ trillion, $18,000 for every man, woman, and child. My daughter, Madeleine, who was born 6 months ago, was saddled with this huge debt for the future. The debt not only jeopardizes future economics and future earnings, but it jeopardizes the future of our grandchildren and our great grandchildren.

We can no longer allow this reckless spending without an avenue to remove it. Just last year we spent money to study insect noise and to study lobsters. Sounds like a lot of pork to me.

The line-item veto provides a powerful check on congressional pork. Forty-three States have the line-item veto to balance the budget, to cut the fat. The U.S. Congress should follow this movement.

Congress has proved incapable of making the tough decisions. The public has asked us to pass this bill and we should, if not for ourselves, then let us pass this for the American families we are here to represent.

Mrs. COLLINS of Illinois. Mr. Chairman, I yield 3 minutes to the gentlewoman from Michigan [Miss COLLINS].

Miss COLLINS of Michigan. Mr. Chairman, I thank the honorable gentlewoman from Illinois for yielding me this time.

Mr. Chairman, I rise in strong opposition to the line-item veto bill. I opposed it when the White House was Republican; I oppose it now; and—for the sake of Congress—I would encourage my colleagues to do likewise.

Mr. Chairman, I for one, believe in the Congress; and while we have had our problems of late, I cannot support legislating ourselves into irrelevance. We are not children, and we do not need a Republican or Democratic "daddy" standing over us and telling us that we do not need items x, y, or z because "father knows best."

Imagine, if you will, the incredible leverage which the President will have over each and every Member of this body. Heaven help any colleague who crosses a vindictive President with this power. The Member will see his subcommittee's work vanish with the stroke of a pen; and simple, routine items could require their own "supermajority." Are we prepared for that? Remember, my colleagues, Presidents can be either friendly or hostile. Your friend now could be your nemesis in a few years.

I ask my colleagues, can we not stop this collective hari-kari once and for all? We have run this country for over 200 years, and our system is the envy of governments around the world. Now, again, I will be the first to acknowledge our problems, but this solution is far too severe. And it is far too permanent. I will not cut off my foot to get out of the bear trap. Absolutely not.

Mr. Chairman, why on Earth would this U.S. House of Representatives willingly vote away its power?

We negotiate in our respective committees for programs which will benefit our constituents. We win the battle in committee. We win the battle in appropriations. We win in floor debate. Then a President, with one stroke of a mighty pen, can render all of our hard work void and useless. A President can hold your district programs hostage to votes he wants for other bills. He can be very punitive to teach Members a lesson.

Why? Why emasculate the Congress?

Why? Turn our responsibilities over to the executive branch?

Why? Give up our power to legislate and appropriate?

I ask, why—why—why?

Mr. GOSS. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Mississippi [Mr. PARKER].

Mr. BLUTE. Mr. Chairman, we also yield 1½ minutes to the distinguished gentleman from Mississippi [Mr. PARKER].

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. PARKER. Mr. Chairman, the minority whip recently issued a statement in which he brands H.R. 2 as a Republican proposal under which Congress would cede to the executive branch one of its most important responsibilities—the power of the purse.

Well first of all, here is one Democrat who supports this Republican proposal. I am an original sponsor of the legislation before us. In fact, I have supported the concept of a line-item veto from my first day in Congress. Here is one Democrat who is not prepared to just toss aside his party's claim on a good idea.

Second, have not we done a fine job in carrying out our most important responsibility? Congress has not responsibly exercised the power of the purse for years. We have been downright irresponsible with this power.

Opponents of a line-item veto claim this is a balance of power issue. I agree. There currently exists vast imbalance in the power to exercise fiscal responsibility. This is an effort to remedy that problem.

A 1992 GAO report indicated that the line-item veto will work. I refer you to page 5 of the Rules Committee Report on H.R. 2:

If Presidential line item veto/line item reduction authority had been applied to all items to which objections were raised in the Statements of Administration Policy during fiscal years 1984 through 1989, spending could have been reduced by amounts ranging from $7 billion in 1985 to $17 billion in 1987, *for a 6-year total of about $70 billion*. This would have reduced federal deficits and borrowing by 6.7 percent, from the $1059 billion that actually occurred during that period to $989 billion. (Emphasis added.)

That is good enough for me.

What we are talking about here is the creation of an additional deficit reduction tool. If a carpenter set out to build a house without a hammer, he would not be able to accomplish much toward the construction project. If you were the President of the United States, you would also want the tools needed to carry out your duties for that office. In an effort to provide a balanced budget or to eliminate wasteful programs and expenditures, the line-item veto is a vital tool for the President of either political party.

While the enhanced recission alternative is also a new tool, it is not as strong as the line-item veto. The line-item veto will require a two-thirds vote to reverse a Presidential reduction in spending while enhanced recission will require a simple majority. That is essentially the only difference between these two proposals.

So the choice before you is quite simple. You are either serious about reducing spending and want to make it as difficult as possible to avoid doing so, or you want to protect this body's spendthrift power.

This is really not a balance of power issue. This is an expansion of power issue. I support expanding the power of the President and/or the Congress to engage in the practice of fiscally reponsible government.

More than 85 percent of the Nation's Governors have the line-item veto where it has been used as a valuable tool in helping those Governors keep their State's budgets in balance.

The time for a line-item veto has arrived. If we are going to have a balanced budget, the President needs the tools necessary to produce such a budget. I urge you to support H.R. 2 as introduced and take a giant step toward fiscal responsibility.

□ 1310

Mrs. COLLINS of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, I speak today in support of the Line-Item Veto Act, and I support the premise behind the call for the line-item veto, that the Congress has included many questionable items in appropriations over the years, and steps need to be taken to remedy the problem.

Today the notion that Congress can control itself is doubted by the public, and that is why this is a popular idea. In the public's mind Congress defines itself with the little things we do as well as the big things we do. It is my sense that the line-item veto may help put an end to the funding of some of the outdated, unneeded programs or

projects that we put into appropriations bills.

This will not end, and it is not the panacea. The line-item veto does not end Congress' responsibility for self-restraint. As my colleagues noted in our committee hearings, Presidents, recent Presidents particularly, are not known for submitting balanced budgets, and we should not expect this or any other President to save us from ourselves.

We should consider another point, that maybe we are overselling the benefits of this bill. The item-veto could cut millions of dollars and help Congress set better priorities on programs, for example, by eliminating nondefense items in the defense budget, but public support of this measure stems in large part from the size of the deficit. Many are under the impression the item-veto will have a noticeable fiscal impact. But what effect will it really have on the deficit?

The item-veto has been used, as we heard earlier, by 43 Governors. And I served 20 years as a legislator and with many Governors, and they enjoyed that authority, and I had the honor and privilege of having projects and bills vetoed by both Democrat and Republican Governors in Texas.

The item-veto most often is used to get the attention of those of us in the legislature and not necessarily as a budget-reducing item. I would hope it would be used for that, not only by our President if this passes, but also by Governors.

I support the measure because I believe it is progress. However, the line-item veto will not control nondiscretionary spending, the big-ticket items like health care costs or interest on the national debt.

I believe that the point needs to be made clear to the public, let us not oversell the benefits of the line-item veto, but we still need to pass it.

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Huntington Beach, CA [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, the President's veto power is granted by the Constitution, and we have heard today the question: Why, why, why change this power now or try to have some impact on how this power is being used in this body?

Well, I will be very happy to explain it. Something has gone totally haywire, and spending is totally out of control and has been for decades.

One of the reasons this system is not working is because there has been a fundamental change, a diminution of the President's veto power. Past legislation, especially spending bills, that went through this body were specific and usually very, very understandable. Today we find massive continuing resolutions and appropriations bills that are hundreds, if not thousands, of pages long that span the issues, that span our whole imagination, and they are very difficult to understand. This is how our process has evolved, and what has happened is the President's veto power in this evolution has been devolved along with this.

In short, the President's veto power has been neutralized by the evolution of how we do our business, and the reason why our spending situation is out of control is this constitutional authority given by our Founding Fathers is really no longer in effect.

That was never made more clear to me than when I worked at the White House for the President of the United States. I remember when President Reagan stood right here and in a State of the Union Message had a huge continuing resolution. Do you remember that? And he threw it down on this table before us and said, "Something is wrong when we have to consider all of this, all or nothing." The President is faced with all or nothing.

What kind of veto power does he have left?

Well, a little story I would like to share with you: I was in the Oval Office with President Reagan the day after his presentation of the State of the Union Message, that time when he actually threw down that continuing resolution showing, demonstrably showing, that his veto power, meaning all or nothing, you know, was irrelevant now, and I notice that his finger was bandaged. President Reagan's finger had a bandage on it. I said, "Mr. President, what happened to your finger?" He said, "Well, DANA, when I was up in front of the Congress last night and I threw that bill down, my finger did not get out from under it and it smashed my finger."

Now, most people did not understand that he was in pain during the delivery of the rest of the State of the Union Message.

There is something wrong when the legislation that we have is so big that it is smashing the President's finger, much less his veto power. I think we should restore the President's finger and restore the veto power to the President of the United States to protect us against unnecessary spending, and that means supporting H.R. 2, the real line-item veto.

Mr. BLUTE. Mr. Chairman, I yield 2 minutes to the gentleman from Cleveland, OH [Mr. HOKE], a distinguished member of the Committee on the Budget.

Mr. HOKE. Mr. Chairman, I thank the gentleman from yielding me this time.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Mississippi [Mr. PARKER], who spoke quite eloquently in favor of this enhanced-rescission bill.

I would like to particularly point out that the gentleman from Mississippi [Mr. PARKER] is a very conservative Democrat, and I would like to further point out that the gentleman from Mississippi [Mr. PARKER] and many other Democrats have voted in favor of every single bill that has been passed by this Congress so far as part of the Contract With America.

I think it is important, Mr. Chairman, that we remind ourselves that this is a very bipartisan effort that is going forward. Democrats voted on every part of the rules package. They voted in favor of the balanced budget amendment. Without them we never would have passed it. They voted in favor yesterday of unfunded mandates, nearly half the Democrat Caucus, and on and on, and I think, no, I am sorry, more than half, substantially more than half of the Democrat Caucus, and I think it is important, Mr. Chairman, for the American people to remember that we are not in the business of doing the Republican Party's agenda or the Democratic Party's agenda, but that we are working for America here, and we are working in a bipartisan spirit and a bipartisan manner that many in the press would like the public not to be aware of.

□ 1320

You know, we have been saying that last November the American people spoke and they declared the days of wasteful spending by the Federal Government should stop. Today we are on the threshold of fulfilling another part of our contract, the line-item veto. I think it is probably a little bit myopic and maybe a little bit of bragging to suggest we are really the authors of this. The fact is this is an idea whose time has finally come, brought about, initially made by Ronald Reagan. It started in the early 1980's and finally after an extraordinarily long gestation period we are going to see this bear fruit. Mr. Chairman, great ideas are worth waiting for.

Mr. Chairman, President Reagan is going to be 84 years old on Monday. I cannot think of a better birthday present that we could give him.

Far too long now Congress has insulted the taxpayers of this country by first taking their money, and it should not.

Mr. GOSS. Mr. Chairman, I reserve the balance of my time.

Mr. BLUTE. Mr. Chairman, I yield 2 minutes to the gentleman from Buffalo, NY [Mr. QUINN], a distinguished member of the Joint Economic Committee and a leader in the effort to give the President a line-item veto.

Mr. QUINN. I thank the gentleman for yielding this time to me, and I appreciate his comments.

Mr. Chairman, it is an honor for me to be here today and join so many of our colleagues in enthusiastically supporting H.R. 2.

Twice during the 103d Congress, since I have been a Member here in the Congress, we have had a chance to vote on

the line-item veto, and twice we fell short of those votes. In the 104th Congress now I think we have a real opportunity to give the President of the United States the line-item veto.

Mr. Chairman, the line-item veto will rise or fall on its own merits. But I think we have an opportunity here to go above and beyond that. We hear words like "power" and "punishment." I think one of the problems we are into right now is that we have an opportunity here, unlike other legislation, where H.R. 2 says that the President's rescissions will take effect immediately unless the Congress rejects them. If the Congress rejects them within 20 days, they go back to the President and they will be vetoed again, if he indeed wants that to happen. Then it comes back to the House for a two-thirds majority. One of the by-products of H.R. 2 will be some discussion, communication, interaction between the House and the Senate and the President of the United States. I think that is healthy for this Government.

Mr. Chairman, at the same time we have some naysayers, who are opponents and say we are giving the President too much power. We are back to the power and punishment words. They say that he will punish Members for things they have done or have not done during the course of their term here.

I think the track record that we have in city halls across the country, in State legislatures, in the Governors' chairs—we heard a former sitting Governor right here as our Member, the gentleman from Delaware [Mr. CASTLE], say that that is not the case, that the Presidents of this United States will use that power accordingly.

Then we hear whether or not the President will be accountable, whether or not he punishes other Members or uses that power in the wrong way. Let us remember Presidents are also accountable to the same constituents that we are accountable to.

Mr. Chairman, it is a pleasure for me to strongly support H.R. 2, and I ask my colleagues to do the same.

Mr. BLUTE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. COX], the distinguished chairman of the Republican Policy Committee and a former White House counsel who worked extensively on budget issues during the Reagan years.

Mr. COX of California. I thank my colleague for that gracious introduction and for yielding to me.

Mr. Chairman, H.R. 2, the Line Item Veto Act, is something the American people have wanted for a long time. It is a fitting tribute to their tireless efforts, as well as to the tireless efforts of one man who has been mentioned here several times in the course of this debate, Ronald Reagan.

Next Monday, February 6, Ronald Reagan will celebrate his 84th birthday. It is absolutely fitting that we will vote on final passage of H.R. 2 on Ronald Reagan's birthday.

A decade ago Ronald Reagan said about the line-item veto, "No other single piece of legislation would so quickly and effectively put order back into our budget process." That is as true today as it was 10 years ago.

It will restore what the Founders saw as the strongest deterrent to wasteful spending by Congress, an energetic executive with the power to force a thoughtful and thorough debate on individual items of spending.

H.R. 2 will reverse some of the damage that was done by the 1974 Budget Impoundment and Control Act, passed by a liberal Congress at the height of its powers as a slap at President Nixon, then at the depths of his disfavor with the Congress.

It radically shifted the respective powers of the legislative and executive branches and emasculated the President's impoundment authority, substituting weak powers of deferral and rescission which this Congress has ever since 1974 chosen to override.

Since 1974, this Congress has chosen to ignore almost every rescission request proposed by every Republican and Democratic President. In the 2 years that I worked in the White House, President Reagan issued over 400 rescission requests, they totaled over $18 billion. Do you know how many the Congress voted on? Not a single one.

Mr. Chairman, James Madison once wrote that unless kept in check, Congress would be everywhere extending the sphere of its activity and drawing all power into its impetuous vortex. James Madison was right. Congress' spending appetite needs to be controlled.

H.R. 2 is a solid step on the way to doing just that.

Mr. BLUTE. Mr. Chairman, it gives me great pleasure to yield 2 minutes to a renowned deficit hawk, the gentleman from New Hampshire [Mr. ZELIFF], chairman of the Subcommittee on National Defense, International Affairs and Judiciary, and the author of the A-to-Z spending reduction.

Mr. ZELIFF. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 2, to give the President the line-item veto. Last November we promised the taxpayers of America that we would manage their funds with greater care and discipline.

We promised no more business as usual. We promised to prioritize Federal spending just as families and businesses do.

The line-item veto, along with the balanced budget amendment and the unfunded mandates legislation just passed, will go a long way toward forcing this Government to prioritize.

There is no better example of the need for a line-item veto than the California earthquake emergency appropriation passed last year.

It was amazing how much damage was actually done by that earthquake, since the $8.6 billion emergency funding bill went way beyond California and included money for States from Hawaii to Maine. It included: $10 million dollars for a post office in New York City; $1.5 million dollars to build a maritime museum in South Carolina; $1.3 million dollars for Hawaiian sugarcane funding; and $1.4 million dollars to fight potato fungus in Maine.

If the President had a line-item veto, he could have taken these unnecessary spending programs right out of the legislation without affecting the necessary funds for the horrible damage in California.

We see opposition to the line-item veto because it is a threat to this type of pork-barrel politics. It is a threat to the old spending habits of past Congresses. But times have changed for the better, and pork-barrel politics must end.

The bottom line is that America now faces a $4.6 trillion debt. We pay over $200 billion in interest payments alone.

A line-item veto takes the power away from the wheelers and dealers and gives it back to the President and this Congress.

A line-item veto forces accountability on the part of the Congress and the President, and stops the blame game that now routinely occurs.

I urge my colleagues to support this legislation and take yet another step toward ensuring our Nation's future through accountability and fiscal responsibility.

Mrs. COLLINS of Illinois. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. I thank the gentlewoman for yielding.

Mr. Chairman, I am pleased to come to the floor today to debate proposals to strengthen the ability of Presidents to identify and eliminate low-priority budget items. The Members of the House will have the opportunity to consider a variety of approaches to this issue, including an amendment which I will be offering with JOHN SPRATT.

I know that my friends on the other side of the aisle have waited a long time to pass a pure line-item veto bill. I do want to point out that even the amendment before us today is not a line-item veto constitutional amendment, which I believe is what most Americans are thinking of when they speak about "the strongest possible line-item veto."

Nonetheless, I have no doubt that supporters will pass the pure statutory line-item veto when the Committee of the Whole rises after debating the various amendments that will be brought to the floor during the next several days. There also has never been any doubt about my position on this so-called pure line-item veto; I have opposed it.

For those who believe that any President—Democrat or Republican—should have minority rule over Congress, should be able to get

just one-third-plus-one of the Congress to agree with him on the most targeted of funding items, those people should vote for the pure line-item veto. I respect their right to have that opinion, but I strongly disagree with it.

What some call modified line-item veto, or what I prefer to call expedited rescission procedure, is the approach that I always have found far preferable. Under this scenario, a President still would be given the opportunity to propose cuts to individual spending or tax items. Within 10 legislative days after the President sent such a rescission package to Congress, a vote on that package would be taken on the House floor. That bill could not be amended, except that 50 House Members could request a separate vote on an individual item which had been proposed for rescission. If a majority of Members voted to retain funding for that individual item, it would be struck from the rescission bill. If the remainder of the rescissions were approved by a simple majority of the House, the bill then would be sent to the Senate for consideration under the same expedited procedure.

This latter approach encourages deficit reduction and maintains the balance of power established by the Constitution, thus excusing it from the grave constitutional concerns created by the language of the base bill.

I also want to be careful not to claim individual or partisan credit for this approach. Expedited rescission legislation embodies an idea which many Members, both Democrats and Republicans, have fought hard for over the years. Dan Quayle first introduced expedited rescission legislation in 1985. Tom Carper and DICK ARMEY did yeomen's work in promoting this legislation. On the Democratic side, TIM JOHNSON, Dan Glickman, Tim Penny, and L.F. PAYNE spent years as particularly effective advocates of this legislation. Numerous Republicans, including Lynn Martin, Bill Frenzel, GERALD SOLOMON, HARRIS FAWELL, and others made meaningful contributions to expedited rescission legislation as it has developed. And of course, the language which we voted on last year was the Stenholm-Penny-Kasich amendment. The deficit reduction prowess of my two cohorts in that effort is almost legendary, and deservedly so.

Thanks to the efforts of these and other Members, the House overwhelming passed expedited rescission legislation in each of the past 3 years.

I do not in any way intend to imply that all of these Members have supported expedited rescissions to the exclusion of or even in preference to a pure line-item veto. Although this proposal was described a few years by GERALD SOLOMON as "a tremendous compromise * * * that this House can support overwhelmingly on both sides of the aisle," my friend from New York has always made it clear that he prefers the one-third-plus-one approach.

What I am saying is that, in an overwhelmingly bipartisan way, Members have stated through their words and their votes, that the expedited rescission procedure is a very good one.

Let me say that again. Members have stated through their words and their votes that the expedited rescission procedure is a very good one. That is important to emphasize because of the way which votes will be taken in the next few days.

My colleague from West Virginia, Mr. WISE, will be offering precisely my amendment which was approved by a vote of 342 to 69 last July. If I were to have my way, that is the amendment that would prevail in the end.

But I can count votes as well as anybody, and I understand that a majority of this body now wishes to pass language along the lines of the Contract With America when it comes to line-item veto. Therefore, I will subsequently offer an amendment which is not a substitute, but rather is an add-on amendment to H.R. 2. In this way, my friends on the other side of the aisle can have the best of both worlds. They can maintain their language, but they can also support language along the lines they have approved for each of the last 3 years.

Where we are in agreement is in the belief that we must bring greater accountability to the appropriations process and the tax benefits process so that individual items may be considered on their individual merits. The current rescission process does not make the President or Congress accountable. Congress can ignore the President's rescissions, and the President can blame Congress for ignoring his rescissions. I believe that it is appropriate to strengthen the President's ability to force votes on individual budgetary items.

To my friends on the left who feel that we don't need to take any of these actions, I would like to make one further point. The current discharge process for forcing a floor vote on the President's rescissions is cumbersome and has never been used. The President is required to spend the money if Congress has not enacted the rescissions within 45 days. In other words, Congress can reject the spending cuts proposed by the President through inaction.

According to data compiled by the General Accounting Office, Congress has approved barely one-third of the individual rescissions submitted by Presidents of both parties since 1974. Congress has ignored about $50 billion in rescissions submitted by Presidents under the existing process without any vote at all on the merits of the rescissions.

During the vote on the Stenholm-Kasich amendment last July, my Democratic colleagues on the Appropriations Committee correctly pointed out that Congress had passed more than $60 billion in rescissions of its own since 1974. That notwithstanding, I do not believe that the fact that Congress had approved more spending cuts than the President had submitted is a justification for not voting on the President's rescission proposals.

The public is fed up with the finger-pointing in which each side argues that the problem is really the other side's fault. Constituents do not consider doing better than the other side to be a substitute for actually dealing with a problem. When we are faced with deficits in the $200 billion range, we cannot afford to ignore any proposals to cut spending.

Forcing votes on individual items in tax and spending bills will have a very real cleansing effect on the legislative process and will take a step toward reducing the public cynicism about the political process. It provides the President with a real tool to ferret out questionable spending items while preserving the power of Congressional majorities to control spending decisions.

When we rise from the Committee of the Whole into the Whole House, I will be submitting for the RECORD a number of items which will be valuable to Members evaluating this issue as well as to scholars who might be studying it. Included in this material are legal opinions from the American Law Division of the Congressional Research Service and answers to the most commonly asked questions about this issue.

I urge my colleagues to strengthen the process by voting for the Stenholm-Spratt amendment and then voting yes on final passage.

Mr. GOSS. Mr. Chairman, I am very happy to yield 1½ minutes to the distinguished gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, none of us has the illusion that the line-item veto will be a cure-all for our Nation's fiscal woes. It can, however, be an important tool to help the Federal Government get its chronic deficits—like this year's $176 billion deficit—under control.

The line-item veto will give the President the power to excise wasteful pet projects and eliminate tax provisions that only benefit special interests.

And it can work. In the 43 States where Governors currently enjoy this power, it has been a success.

□ 1330

In California, Mr. Chairman, former Governor Deukmejian used the line-item veto to trim $1.2 billion from his State's budget. In Wisconsin Governor Thompson has used the same authority to eliminate some $143 million in wasteful spending. A 1992 GAO study estimated that a Presidential line-item veto could have saved $70.7 billion in pork-barrel spending between fiscal years 1984 and 1989.

Let us act before we lose another precious tax dollar to wasteful spending.

Mrs. COLLINS of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. BARRETT].

Mr. BARRETT of Wisconsin. Mr. Chairman, last session I had the pleasure of joining the gentleman from New York [Mr. SOLOMON] and virtually every other Republican to support a true line-item veto, and a number of Democrats decided it made sense for the President to have the authority to get rid of pork-barrel spending and especially tax giveaways, both of which are important arrows in the quiver against our rising deficits. But I am upset today, Mr. Chairman, because the emperor has no clothes. The bill that we have before us only does half the job. Although it gives the President the authority to get rid of pork-barrel spending, it does not give him adequate authority to get rid of the tax loopholes.

Newsweek magazine put it best:

The fine print of the bill now moving through the House reveals though the Republicans are tough on spending, they are

lax on special interest tax giveaways. The bill allows the President to target tax benefits, but then defines that phrase to include only a tiny number of small loopholes. The vast majority of tax breaks, worth hundreds of millions of dollars, would remain immune from the President's veto. Any lobbyist looking for goodies from the Federal Government could work through the tax code instead of the spending bills.

Mr. Chairman, that is exactly what is going to happen if we pass this bill. Any tax lawyer in this city, any lobbyists worth their salt, are going to say, "Let's not spend our time on the appropriations bills. Let's find a time bomb that we can place in a revenue bill. Let's have a tax loophole created in a revenue bill."

Now what has happened? Last year every Republican voted to give the President of the United States the authority to get rid of these tax loopholes. In the Contract With America, Mr. Chairman, virtually every Republican signed language that gave the President of the United States the authority to get rid of these tax loopholes. But now the rubber meets the road, and the bill is before us today, and the new leadership does not want to give the President of the United States adequate ability to get rid of tax loopholes.

Mr. Chairman, last year I bolted from my party in good faith because I felt that the Republicans were onto something here. I thought they were sincere in wanting to get rid of both pork-barrel spending and tax loopholes. But now in the 104th Congress, when they are in control, it appears obvious to me that, yes, they want to get rid of this pork barrel spending because there is no growth in pork-barrel spending. It is not a growth industry in this town. But they do not want to give up their ability to slip tax loopholes into revenue bills.

The previous speaker talked about bipartisan cooperation in this House. Since every Republican voted in favor of the language that would give the President the authority to get rid of tax loopholes last year, and virtually every Republican signed the contract, that would give the President that authority. I would ask that my friends on the Republican side of the aisle keep to their word and not break that Contract With America on this issue. Give the President the authority to get rid of tax loopholes.

Mr. BLUTE. Mr. Chairman, I yield myself 2½ minutes to respond to the gentleman from Wisconsin [Mr. BARRETT].

Mr. Chairman, in the Committee on Government Reform and Oversight we adopted an amendment sponsored by the Democrats that would expand the number of individuals, businesses or individuals, who are receiving tax benefits to 100, to allow the President to veto a much broader number of tax benefits. But at the same time we felt it was important not to give the President too much power. That is a concern. I think anything we do that shifts power to the President, we narrowed that to a very defined area to get after the most egregious efforts to reward certain interests in the Tax Code. To expand that further, in an unlimited way, would give the President far too much power and would allow the President to veto things that we do not want the President to be able to veto, such as a middle-class tax cut, for example, if we were to pass something like that.

Mr. BARRETT of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BLUTE. I yield to the gentleman from Wisconsin.

Mr. BARRETT of Wisconsin. Mr. Chairman, I have a lot of respect for the gentleman from Massachusetts, as he knows. My understanding is that this language, for example, would not give the President of the United States the authority to veto out one of the tax provisions that we have, for example, that would give a special tax credit for drug companies doing business in Puerto Rico. This tax benefit gives 24 companies $2.6 billion in tax credits.

I ask the gentleman, don't you think that the President of the United States should have that ability to get rid of that type of tax loophole?

Mr. BLUTE. Mr. Chairman, if I get the question from my good friend correctly, he mentioned 26 companies?

Mr. BARRETT of Wisconsin. That is correct. There are 26 companies that get $2.6 billion. There are 338 companies that benefit overall, but 26 of those companies get the lion's share, $2.6 billion.

Mr. BLUTE. Well, if it related to specifically 26 companies, then the President would be able to veto that particular benefit. If it goes beyond 100, then he would not.

Mr. BARRETT of Wisconsin. And this provision does go beyond 100. It goes to 338 companies, but again the lion's share goes to that 26 companies.

Mr. BLUTE. I would simply respond that we wanted to narrow the scope of this capability of the President's, to limit it and to target it at the most egregious examples of tax pork. I think we have done that. We adopted a Democrat amendment.

Mr. BLUTE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the Commonwealth of Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Chairman, I rise today in strong support of H.R. 2—the Presidential line-item veto.

Last week this Chamber passed a constitutional amendment to require a balanced budget in 7 years. The line-item veto is perhaps the best single tool to help us achieve this goal. I would hope that every Member who voted for the balanced budget amendment would support the line-item veto as the next logical step toward eliminating the deficit and balancing the budget.

Today, 43 Governors possess the power of the line-item veto. Many times just having this power does a great deal to discourage legislative add-ons and wasteful spending.

This issue is not a question of partisan politics or political gamesmanship. We Republicans are giving this power to the President, currently a Democrat. This is one of the best tools available to cut wasteful spending.

Some have argued that the line-item veto grants too much power to the Executive and that it represents a dangerous move toward centralization of our Federal Government, which the framers of the Constitution opposed. We must remember that the line-item veto is a way to reduce the size of Government. The line-item veto is simply a modern adaptation of the original Presidential veto which can be overridden by a two-thirds vote of the Congress.

If we are serious in our desire to downsize Government; if we are serious in our desire to see a balanced Federal budget; if we are serious in our desire to be fiscally responsible, then the time has come to stand up and be counted on this proposal.

Mr. Chairman, what is good for 43 of 50 Governors is certainly good enough for the President of these United States. I urge my colleagues on both sides of the aisle to support H.R. 2, and give the President the ultimate weapon needed to reduce the deficit—the line-item veto.

□ 1340

Mr. GOSS. Mr. Chairman, may I inquire how much time is left on each side?

The CHAIRMAN. The gentleman from Florida [Mr. GOSS] has 6 minutes remaining, the gentleman from Massachusetts [Mr. BLUTE] has 5½ minutes remaining, and the time of the gentlewoman from Illinois [Mrs. COLLINS] has expired.

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will close with a few brief comments.

We have had in this general debate process a preview of some of the proposed amendments that we may be talking about, and they really underscore what the debate is. We have got a debate on a major policy issue of whether we want a real line-item veto with a two-thirds vote required to overturn the President's decision, or whether we want to stick to the simple majority rule of approval that we have had here under various titles and labels over the years, which is not really a line-item veto.

It is a very good debate, and it is one that has already started, and I hope it ends up with the toughest version, but

I respect very much those proponents of the other way.

My view on the other way is it clearly has not worked; otherwise we would not be looking at couple-hundred-billion-dollar deficits every year, we would not be looking at a $4.5 trillion national debt, which is growing and predicted to grow over $6 trillion despite our current President's best efforts.

It seems to me is we have to say, "We surrender. It does not work. We need a better system, better machinery, and better tools." And that is what this process is about.

There is a concern that this is somehow going to get out of control. We have built in, as a result of the deliberative process through the committees, some oversight monitoring with GAO. It is a good provision. We have gone into streamlining the time for review by the various bodies, the executive and the legislative bodies, so that we move this thing more quickly and do not interfere with the normal flow of Government business, but we have check and balance points that come more quickly.

We created a new process to guarantee every Member of this institution the right to get an objection to what the President does to the floor of the House for not one vote, not two votes, but in some cases three votes, depending on which procedure is used.

We have picked the toughest way to go, because this is the toughest problem we have in our country right now. There has been some talk about if we do this we will never be able to change it. Well, I hope we are not going to be able to change it, because it is the medicine this country needs. I do not want to change it.

But I would point out I think most people will understand these types of measures in fact can be checked or withdrawn by actions taken on independent appropriations bills only must pass legislation that exempts certain provisions that would override some of the concerns I have expressed here today. I hope that does not happen, because I think that would be weakening, but there is always a back door, it seems, in Washington.

I think there is a real benefit to bringing the President into the loop. It is not just the benefit of accountability and making the President, if he catches a bit of mischief coming out of Congress, being complicit in it. He has the opportunity and responsibility to erase it. And this gives the American voters one more shot at accountability when the November elections come. Of course, it is the November elections that really are the core of democracy.

But beyond that, that extra accountability for the President, we have something that I think is very beneficial that has been alluded to by several of our speakers, and that is the interaction between the legislative and the executive branches in the process of developing the budget for our country as we go through the year.

I think that is a process that clearly is going to yield a better product than we have had so far, less surprises, both happy and unhappy, more predictable results, more efficient use of tax dollars, more on-time targeting of the way we spend our money. And I think we all come out ahead if we do this.

We do not present this legislation lightly. This has been well thought out. It has been through the mill, through the cooperative committee process, and I am very pleased to be associated with this legislation and look forward to the opportunities for amendments.

Mr. Chairman, I yield back the balance of my time.

Mr. BLUTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, now is the time to give the President of the United States the line-item veto authority. This issue has been kicking around up here on Capitol Hill for decades, and has been discussed and chewed over, committees have heard testimony, and still we have not done what needs to be done and give the President this needed tool.

We already have an example of it working in our system of government. It has been field-tested in the 43 States that now have a line-item veto for their Governors. We have heard testimony in the committees from liberals and conservatives, from Republicans and Democrats, that the line-item veto works as a tool to keep the budget in line. There can be no doubt about that, and it is time that the President had a similar tool.

Beyond that, Mr. Chairman, I think it needs to be pointed out that in the last Presidential campaign, both the Republican candidate, the Democratic candidate, and the independent candidate all supported giving the President a line-item veto authority. It was as close to a consensus issue as there was in that campaign. The American people support it by the polls. I believe it is time we did what the American people want and give the President this very important tool.

Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. NEUMANN], one of the original sponsors of the line-item veto bill.

Mr. NEUMANN. Mr. Chairman, I believe this particular bill is important for a whole variety of reasons. First off, I will tell you when I campaigned last fall, I was concerned as to whether or not we would be able to actually keep the promises in the contract. This is important, because it is another one of those steps to keep the promises we made last fall during the campaigns.

More important than that, our Nation right now today is $3.8 trillion in debt. If every man, woman, and child in the whole country were to take out their checkbook and just pay off their share of the national debt, they would need to pay $18,500. For my family of 5, the Federal Government has borrowed $92,500. Just think about this. Over the last 15 years, this Government has borrowed $92,500 on behalf of my family of five. To just pay the interest on the national debt, my family must write out checks or pay taxes, if you like, of over $6,000 a year. The people in my district back in southeastern Wisconsin have average incomes of $32,000 a year, and yet they must write out checks just to pay the interest on the national debt of over $6,000 a year.

I strongly support this line-item veto and was one of the original sponsors, because I think it is one of two pieces of legislation that will stop this situation.

In Wisconsin, Governor Tommy Thompson has successfully used the line-item veto to hold down spending, to balance budgets without raising taxes on the Wisconsin people, and I believe we should be using those Wisconsin ideas here in Washington, DC.

The other reason I strongly support the line-item veto is because it is a bipartisan effort and it is very encouraging to me to come out here, being outside the world of politics, and be involved in a bill that has bipartisan support, where both sides of the aisle are working together to get it through. It is very, very important if we are going to reduce the Federal spending that we get this piece of legislation through.

I do not think this is the end-all. I think there are many, many more steps that are necessary to actually balance the Federal budget. But this is certainly a very important first step as we move forward on completing the items in the contract that we have pledged to the people last fall.

Mr. EMERSON. Mr. Chairman, I rise today in strong support of the line-item veto legislation. As a longtime author of a constitutional amendment to give the President line-item veto power I am pleased to take part in this important debate today.

As long as Congress continued to send the President jam-packed all-encompassing spending bills, the President often had to choose between signing unnecessary spending into law on one hand and shutting down the Federal Government on the other. Or, signing a bill that was 70 percent necessary, 30 percent unnecessary. A General Accounting Office [GAO] report estimated that if the President had line-item veto authority from 1984 through 1989, the savings would have ranged anywhere from $7 to $17 billion per year.

With the national debt skyrocketing toward $5 trillion and 1995 interest payments on the national debt totaling $339 billion, runaway spending must be stopped. The Federal deficit alone stands at $176 billion this year. To balance the Federal budget, every man, woman, and child in the United States would have to pay an additional $700 in taxes this year. A

Presidential line-item veto is the first step toward fiscal responsibility that will save taxpayers billions of dollars. This, coupled with the recently passed balanced budget amendment are important fiscal tools necessary to get our house in order. I urge support of this important legislation.

Mr. CUNNINGHAM. Mr. Chairman, I rise in strong support of H.R. 2, the Line-Item Veto Act. As an original cosponsor of this bill, I believe it is long overdue.

In fact, this is a historic occasion. This is the first time that freestanding line-item veto legislation has been allowed to come to the floor of the House. For years, the Democratic Congress refused to allow an honest vote on line-item veto legislation, despite the request of Presidents Reagan, Bush, and Clinton. Finally, under Republicans leadership, Congress will move to take this necessary and important action.

For years, Americans have been outraged by the provisions snuck into much larger bills by individual Members of Congress. With appropriations bills routinely running into the hundreds of billions of dollars, many Members of Congress grew quite adept in adding their pet provisions. Because the President's current veto authority is limited to an up-or-down decision on a bill, Presidents have been forced to sign bills containing Members' pet projects.

Here are few examples: In the fiscal year 1994 Agriculture appropriations bill, Congress added $221,000 for blueberry research at the University of Maine and $140,000 for swine research at the University of Minnesota. The Commerce/Justice/State bill contained $683,000 for fish laboratory repair in South Carolina and $400,000 to deal with the algal bloom crisis in Maui. The Energy and Water bill contained $50 million for one road project in West Virginia and $4 million for a program at Florida A&M University. The Treasury/Postal bill included $120 million for a courthouse in Phoenix and $96 million for a courthouse in Oregon. All of these items were cited by the Citizens Against Government Waste because they were either only requested by one Chamber of Congress, not specifically authorized, not competitively awarded, greatly increased in funding over the prior year, mainly of local interest, or not requested by the President.

Current rescission authority under the 1974 Impoundment Control Act hasn't worked. Last year, Congress made several sputtering attempts to enhance rescission authority. Given the extreme reluctance of Congress to take up actual rescissions, one wonders if the zeal for enhanced rescission in the past wasn't more directed toward keeping the line-item veto off the agenda than to truly improving the system.

H.R. 2 gives the President a permanent legislative line-item veto. With this authority, the President may strike or reduce any discretionary budget authority or eliminate any targeted tax provision in any bill. The President must prepare a separate rescissions list for each bill and submit his proposal to Congress within 10 days after signing the original bill.

The key to why line-item veto authority is better than enhanced rescission is in what comes next. Under line-item veto, the President's proposed rescissions are approved unless Congress passes a disapproval bill within 20 days after receiving them. Enhanced rescission legislation, on the other hand, disapproves the recommendations unless Congress acts. With line-item veto, the upper hand goes to the cutting side, where with enhanced rescission, the advantage goes to the spending side.

H.R. 2 sets out clear procedures for dealing with a line-item veto. The list sent by the President is unamendable. There are expedited procedures to bring a line-item list to the floor of the House and limits on debate time in the Senate.

The line-item veto will not solve our budget crisis. It will, however, do something equally important—help to restore the confidence of the American people in their government. It is time to give the President the same authority that 43 of the 50 Governors have. It is time for Congress to enact the line-item veto.

Mr. FAWELL. Mr. Chairman, for years I have supported a straightforward way to help solve Congress' lack of spending restraint: the line-item veto. Today, the House begins consideration of H.R. 2, a bill introduced as part of the Republican Contract With America, which would provide the President with a permanent legislative line-item veto. Line-Item veto authority would permit a President to strike specific, wasteful spending projects from appropriations bills as soon as they reach his desk. The funding for any rescinded items would be canceled unless both the House and Senate could muster a vote of two-thirds to override the line-item veto.

In the past, the rescission procedure has proven to be too cumbersome. The burden has always been on the President to obtain congressional approval during a fixed period of time; Congress need do nothing to defeat a President's proposal. H.R. 2 would reverse this burden: Presidential proposals would become law unless Congress takes action to stop them.

With the line-item veto, Presidents can weed out wasteful pork-barrel spending or tax benefits that are tucked away in otherwise good bills. While some argue that line-item veto authority will have little effect on bringing the Federal budget under control, I submit that if we can't cut wasteful spending we will have little chance to make the tough decisions needed to balance the budget.

Author Brian Kelly, in his excellent book "Adventures in Porkland," described how pork-barrel projects—while not amounting in themselves enough to balance the budget—are the "grease" that lubricates the entire spending machine in Congress. He estimates that pork greases more than $100 billion annually. Members of Congress are often afraid to take on any spending programs for fear that a project funded in their district might be jeopardized. Thus, a few million dollars spent in Congressman X's district might keep him or her from cutting billions of dollars in other programs that they otherwise would oppose. This is where the line-item veto could really make a difference—it could change the culture of spending in Congress for good.

There are numerous examples of how the line-item veto would have remedied wasteful legislation. One of the best examples is the 1994 emergency spending bill intended for California's earthquake victims. In reviewing that bill, I discovered the following items, among others: $10 million for planning and development of a train station and commercial center in New York; $1 million for Hawaiian sugar cane mills; and, $1.5 million to dry dock and repair the Savannah, the world's first nuclear powered commercial ship, among others. Because the majority did not allow amendments to strike this pork from the bill, the President was faced with signing the bill in its entirety, with all of the pork included, or with vetoing the entire bill leaving California's earthquake victims without assistance.

Mr. Chairman, this floor debate on H.R. 2 this week follows on the heels of House passage of a balanced budget constitutional amendment. I urge my colleagues to support this long-overdue reform. A line-item veto will not, by itself, balance the Federal budget. It will, however, be another effective weapon in the fight to reduce the Federal deficit.

Mr. BLUTE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired. Pursuant to the rule, the amendment in the nature of a substitute as printed in House Report 104–15 is considered as an original bill for the purpose of amendment and is considered as read.

The text of the amendment in the nature of a substitute made in order by House Resolution 55 as an original bill for the purpose of amendment under the 5-minute rule is as follows:

H.R. 2

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Line Item Veto Act".

SEC. 2. LINE ITEM VETO AUTHORITY.

(a) IN GENERAL.—Notwithstanding the provisions of part B of title X of The Congressional Budget and Impoundment Control Act of 1974, and subject to the provisions of this section, the President may rescind all or part of any discretionary budget authority or veto any targeted tax benefit which is subject to the terms of this Act if the President—

(1) determines that—

(A) such rescission or veto would help reduce the Federal budget deficit;

(B) such rescission or veto will not impair any essential Government functions; and

(C) such rescission or veto will not harm the national interest; and

(2) notifies the Congress of such rescission or veto by a special message not later than ten calendar days (not including Sundays) after the date of enactment of an appropriation Act providing such budget authority or a revenue or reconciliation Act containing a targeted tax benefit.

(b) DEFICIT REDUCTION.—In each special message, the President may also propose to reduce the appropriate discretionary spending limit set forth in section 601(a)(2) of the Congressional Budget Act of 1974 by an amount that does not exceed the total amount of discretionary budget authority rescinded by that message.

(c) SEPARATE MESSAGES.—The President shall submit a separate special message for each appropriation Act and for each revenue or reconciliation Act under this section.

SEC. 3. LINE ITEM VETO EFFECTIVE UNLESS DISAPPROVED.

(a)(1) Any amount of budget authority rescinded under this Act as set forth in a special message by the President shall be deemed canceled unless, during the period described in subsection (b), a rescission/receipts disapproval bill making available all of the amount rescinded is enacted into law.

(2) Any provision of law vetoed under this Act as set forth in a special message by the President shall be deemed repealed unless, during the period described in subsection (b), a rescission/receipts disapproval bill restoring that provision is enacted into law.

(b) The period referred to in subsection (a) is—

(1) a congressional review period of twenty calendar days of session, beginning on the first calendar day of session after the date of submission of the special message, during which Congress must complete action on the rescission/receipts disapproval bill and present such bill to the President for approval or disapproval;

(2) after the period provided in paragraph (1), an additional ten days (not including Sundays) during which the President may exercise his authority to sign or veto the rescission/receipts disapproval bill; and

(3) if the President vetoes the rescission/receipts disapproval bill during the period provided in paragraph (2), an additional five calendar days of session after the date of the veto.

(c) If a special message is transmitted by the President under this Act and the last session of the Congress adjourns sine die before the expiration of the period described in subsection (b), the rescission or veto, as the case may be, shall not take effect. The message shall be deemed to have been retransmitted on the first Monday in February of the succeeding Congress and the review period referred to in subsection (b) (with respect to such message) shall run beginning after such first day.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) The term "rescission/receipts disapproval bill" means a bill or joint resolution which only disapproves, in whole, rescissions of discretionary budget authority or only disapproves vetoes of targeted tax benefits in a special message transmitted by the President under this Act and—

(A) which does not have a preamble;

(B)(i) in the case of a special message regarding rescissions, the matter after the enacting clause of which is as follows: "That Congress disapproves each rescission of discretionary budget authority of the President as submitted by the President in a special message on _____", the blank space being filled in with the appropriate date and the public law to which the message relates; and

(ii) in the case of a special message regarding vetoes of targeted tax benefits, the matter after the enacting clause of which is as follows: "That Congress disapproves each veto of targeted tax benefits of the President as submitted by the President in a special message on _____", the blank space being filled in with the appropriate date and the public law to which the message relates; and

(C) the title of which is as follows: "A bill disapproving the recommendations submitted by the President on _____", the blank space being filled in with the date of submission of the relevant special message and the public law to which the message relates.

(2) The term "calendar days of session" shall mean only those days on which both Houses of Congress are in session.

(3) The term "targeted tax benefit" means any provision of a revenue or reconciliation Act determined by the President to provide a Federal tax deduction, credit, exclusion, preference, or other concession to 100 or fewer beneficiaries. Any partnership, limited partnership, trust, or S corporation, and any subsidiary or affiliate of the same parent corporation, shall be deemed and counted as a single beneficiary regardless of the number of partners, limited partners, beneficiaries, shareholders, or affiliated corporate entities.

(4) The term "appropriation Act" means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

SEC. 5. CONGRESSIONAL CONSIDERATION OF LINE ITEM VETOES.

(a) PRESIDENTIAL SPECIAL MESSAGE.—Whenever the President rescinds any budget authority as provided in this Act or vetoes any provision of law as provided in this Act, the President shall transmit to both Houses of Congress a special message specifying—

(1) the amount of budget authority rescinded or the provision vetoed;

(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;

(3) the reasons and justifications for the determination to rescind budget authority or veto any provision pursuant to this Act;

(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the rescission or veto; and

(5) all actions, circumstances, and considerations relating to or bearing upon the rescission or veto and the decision to effect the rescission or veto, and to the maximum extent practicable, the estimated effect of the rescission upon the objects, purposes, and programs for which the budget authority is provided.

(b) TRANSMISSION OF MESSAGES TO HOUSE AND SENATE.—

(1) Each special message transmitted under this Act shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committees of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

(2) Any special message transmitted under this Act shall be printed in the first issue of the Federal Register published after such transmittal.

(c) INTRODUCTION OF RESCISSION/RECEIPTS DISAPPROVAL BILLS.—The procedures set forth in subsection (d) shall apply to any rescission/receipts disapproval bill introduced in the House of Representatives not later than the third calendar day of session beginning on the day after the date of submission of a special message by the President under section 2.

(d) CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—(1) The committee of the House of Representatives to which a rescission/receipts disapproval bill is referred shall report it without amendment, and with or without recommendation, not later than the eighth calendar day of session after the date of its introduction. If the committee fails to report the bill within that period, it is in order to move that the House discharge the committee from further consideration of the bill. A motion to discharge may be made only by an individual favoring the bill (but only after the legislative day on which a Member announces to the House the Member's intention to do so). The motion is highly privileged. Debate thereon shall be limited to not more than one hour, the time to be divided in the House equally between a proponent and an opponent. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(2) After a rescission/receipts disapproval bill is reported or the committee has been discharged from further consideration, it is in order to move that the House resolve into the Committee of the Whole House on the State of the Union for consideration of the bill. All points of order against the bill and against consideration of the bill are waived. The motion is highly privileged. The previous question shall be considered as ordered on that motion to its adoption without intervening motion. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. During consideration of the bill in the Committee of the Whole, the first reading of the bill shall be dispensed with. General debate shall proceed without intervening motion, shall be confined to the bill, and shall not exceed two hours equally divided and controlled by a proponent and an opponent of the bill. After general debate the Committee shall rise and report the bill to the House. The previous question shall be considered as ordered on the bill to final passage without intervening motion. A motion to reconsider the vote on passage of the bill shall not be in order.

(3) Appeals from the decisions of the Chair relating to the application of the rules of the House of Representatives to the procedure relating to a bill described in subsection (a) shall be decided without debate.

(4) It shall not be in order to consider more than one bill described in subsection (c) or more than one motion to discharge described in paragraph (1) with respect to a particular special message.

(5) Consideration of any rescission/receipts disapproval bill under this subsection is governed by the rules of the House of Representatives except to the extent specifically provided by the provisions of this Act.

(e) CONSIDERATION IN THE SENATE.—

(1) Any rescission/receipts disapproval bill received in the Senate from the House shall be considered in the Senate pursuant to the provisions of this Act.

(2) Debate in the Senate on any rescission/receipts disapproval bill and debatable motions and appeals in connection therewith, shall be limited to not more than ten hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motions or appeal in connection with such bill shall be limited to one hour, to be equally divided between, and controlled by the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion to further limit debate is not debatable. A motion to recommit (except a

motion to recommit with instructions to report back within a specified number of days not to exceed one, not counting any day on which the Senate is not in session) is not in order.

(f) POINTS OF ORDER.—

(1) It shall not be in order in the Senate to consider any rescission/receipts disapproval bill that relates to any matter other than the rescission of budget authority or veto of the provision of law transmitted by the President under this Act.

(2) It shall not be in order in the Senate to consider any amendment to a rescission/receipts disapproval bill.

(3) Paragraphs (1) and (2) may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.

SEC. 6. REPORTS OF THE GENERAL ACCOUNTING OFFICE.

Beginning on January 6, 1996, and at one-year intervals thereafter, the Comptroller General shall submit a report to each House of Congress which provides the following information:

(1) A list of each proposed Presidential rescission of discretionary budget authority and veto of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year, together with their dollar value, and an indication of whether each rescission of discretionary budget authority or veto of a targeted tax benefit was accepted or rejected by Congress.

(2) The total number of proposed Presidential rescissions of discretionary budget authority and vetoes of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year, together with their total dollar value.

(3) The total number of Presidential rescissions of discretionary budget authority or vetoes of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year and approved by Congress, together with their total dollar value.

(4) A list of rescissions of discretionary budget authority initiated by Congress for the fiscal year ending during the preceding calendar year, together with their dollar value, and an indication of whether each such rescission was accepted or rejected by Congress.

(5) The total number of rescissions of discretionary budget authority initiated and accepted by Congress for the fiscal year ending during the preceding calendar year, together with their total dollar value.

(6) A summary of the information provided by paragraphs (2), (3) and (5) for each of the ten fiscal years ending before the fiscal year during this calendar year.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member offering an amendment that has been printed in the designated place in the CONGRESSIONAL RECORD.

□ 1350

Those amendments shall be considered as read.

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. BLUTE

Mr. BLUTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLUTE:

In section 2(c), strike "paragraph" and insert "section."

Mr. BLUTE. Mr. Chairman, this is a technical amendment called to our attention this morning by the Office of Legislative Counsel. It is due to a drafting error in that office.

It simply makes clear that the special message being referred to is the one described in section 2 as opposed to a nonexistent paragraph.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BLUTE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CLINGER

Mr. CLINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLINGER: In section 2(a), strike "discretionary budget authority" and insert "the dollar amount of any discretionary budget authority specified in an appropriation Act or conference report or joint explanatory statement accompanying a conference report on the Act,".

Mr. CLINGER. Mr. Chairman, the statutory line-item veto proposed in H.R. 2 is broader and stronger, as we have heard in general debate, than a constitutional amendment. It fulfills the President's request that we give him the strongest possible bill, which is what we are attempting to do.

Unlike a constitutional amendment, which simply permits the President to line out spending items from appropriations acts, H.R. 2 permits the President to reduce or eliminate spending from bills and accompanying bill reports.

In addition, H.R. 2 permits the President to veto targeted tax benefits for 100 or fewer.

The purpose of my amendment is to clarify an area of potential misunderstanding in H.R. 2. Our bill is intended to permit the President to eliminate or rescind congressional earmarks for wasteful spending.

We all know that these earmarks can occasionally be found in bills but are more often hidden in report language to accompany those bills.

I think probably all of us have been sort of victimized by finding things that we were not aware of at the time. My amendment simply clarifies the understanding of our committee, I think, that the President may look to both bills and accompanying reports or manager statements in specifying rescissions proposals. In addition, my amendment makes clear that the President may not look to OMB or agency justifications or other types of documents to rescind funds for programs not specified by Congress.

Mr. Chairman, this amendment will relieve the concerns expressed, I think, legitimately expressed by some, that the President might, for example, retaliate against a particular judicial circuit, and that, I know, has been raised by the gentleman from Pennsylvania [Mr. KANJORSKI], by going beyond bill or report language to zero out funding for that circuit. As was discussed in my committee, that was not the intent and never was the intent of H.R. 2. This amendment simply spells out in statutory language that understanding.

In addition, my amendment addressed the concerns of some Members that the President might attempt to strike statutory language he finds objectionable in an appropriations bill.

While I have been assured by both legislative counsel and CRS that H.R. 2 does not permit such action, my amendment reaffirms that limitation by specifying that the President may only rescind dollar amounts, not bill language.

I think this confusion arises from the fact that in some States the Governor does have the power to actually effect statutory language. It was never our intent to give the President that additional authority, which would really enable him to effect policy and change or undercut congressional actions by changing statutory language.

This will just merely make it very, very clear that all we are talking about is dollar amounts.

I would urge the amendment's adoption.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do so for the purpose of asking the gentleman from Pennsylvania a question regarding his amendment. I know that the language of the amendment is identical to language already in the committee report that purports to describe the bill as reported.

On page 12 of the committee report on H.R. 2, it is stated, and I quote,

> we decided on enhanced rescission for several reasons. It permits Congress to continue appropriating with lump sums. After a President signs an appropriations bill, he may propose for reduction or elimination any dollar amount specifically identified in a bill or committee report or joint explanatory statement accompanying a conference report on that act.

Should we conclude then that the description of the President's line-item veto authority which I read refers to the language in the gentleman from Pennsylvania, Mr. CLINGER's amendment rather than the language of the bill as reported?

Mr. CLINGER. Mr. Chairman, will the gentlewoman yield?

Mrs. COLLINS of Illinois. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, the purpose of the amendment, I am sorry, I did not her the entire statement, but

the purpose, I want to reemphasize, is to make it very clear that it was our intent that the President not be able to look beyond statutory or report language. That is the absolute limit as to what he is able to look at or impact. There had been some suggestions that this was kind of an open sesame, that we were going to allow the President sort of to roam through all kinds of extraneous documents and extraneous material to affect the report. We are going to make it very clear that this is a severely limited power and that it is limited to appropriations bills, statutory bills, and committee reports.

Mrs. COLLINS of Illinois. Let me ask then what might be an accurate description of the bill as reported? I understand that the original draft of the committee report, which was distributed to each member in our markup, was actually written by the Congressional Research Service of the Library of Congress and the CRS experts on these matters described the authority this bill gave the President quite differently than the way it is described in the version of the report which I read.

Let me quote from the original draft report which the Congressional Research Service prepared. It said, "moreover, after a President signs an appropriations bill, he may go as deep as he likes within an appropriations account to propose specific rescissions."

Clearly, this describes the President as having unlimited authority to reach within a particular appropriation passed by the Congress and to cut spending for specific projects and programs such as administrative expenses for a Federal court that may have rules against a President on an important matter.

The question then is does the gentleman agree with the CRS assessment that the President's line-item veto authority under H.R. 2, as reported, is in fact unlimited, that a President may go as deep as he likes within an appropriations account to cut specific projects?

Mr. CLINGER. Mr. Chairman, if the gentlewoman will continue to yield, he may within the appropriations bill. The purpose of this is to say that he cannot go outside of these specifically enumerated sources to do that. It would allow, yes, deepening. CRS was cooperating with us in that language.

Mrs. COLLINS of Illinois. If the language in H.R. 2 concerning the President's line-item veto authority did not change, the question is, why was this section of the report changed from the original CRS draft in which the President is identified as having unlimited authority to the version in the filed report which identifies limitations on the President's authority. There seems to be considerable confusion on the part of the proponents as to just how broad the President's authority in this bill actually is.

The description of the President's authority in the filed committee report is clearly not accurate. I believe this is a good example of why the majority should not be racing through the legislative process to bring complicated matters like the line-item veto act to the floor of the House. We should first make sure we fully understand what these proposals do.

The gentleman's amendment also makes dollar amounts in committee reports subject to the Presidential rescission. Why does the amendment refer to committee reports? Is it intended to give the President a basis for describing the budgetary authority he is rescinding? Is it not the result that the President is being constrained by Congress through something short of public law, and is that not an action that would run counter to the Supreme Court's decision in INS versus Chadha?

It appears that this would be using the committee report to alter, and I quote, "the legal rights, duties and relations of persons outside the legislative branch."

What then is the practical effect of this amendment and does not the amendment merely provide the appearance of definiteness and specificity?

□ 1400

Mr. CLINGER. If the gentlewoman will yield, the amendment's point, I think, is to try to make clear the limitations that we are imposing with this amendment.

I think that the gentlewoman is right, there has been some confusion about this. We have been trying to say, Look, we are trying to limit this to dollar amounts, and we are limiting to dollar amounts in committee reports as well.

The suggestion that somehow we are going to be affecting policy decisions made in committee reports or changing the emphasis is just not right. The whole point of this is to make it very clear that this is a limited authority we are giving, that we are not allowing a broad-ranging, free-wheeling President to go around changing all kinds of things, so it is a limited thing.

Obviously, the gentlewoman does not think that it is specific enough, but I think from my vantage point it does make it much clearer what we are trying to accomplish.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. CLINGER].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. PELOSI: Section 2 is amended by adding at the end the following new subsection:

(d) LIMITATION.—No special message submitted by the President under this section may change any prohibition or limitation of discretionary budget authority set forth in any appropriation Act.

Ms. PELOSI. Mr. Chairman, I offer an amendment which states that no special message submitted by the President under this section may change any prohibition or limitation of discretionary budget authority set forth in any appropriation act.

That is what the amendment says.

Mr. Chairman, I propose this amendment as one who rises in opposition to the line-item veto legislation. I oppose the legislation strenuously because I think that it does damage to the balance of power and separations of power set forth by our forefathers in the Constitution.

In fact, I believe that in order for us to truly have a line-item veto as is contained in this legislation, that it should require a constitutional amendment and change in our Constitution, so disruptive do I believe it to be of the balance of power.

Others have referenced in the previous amendment, in fact, and then I know my colleague, the gentleman from Virginia [Mr. MORAN], will have one addressing the judiciary, but it would enable a President to even be able to affect not only the actions of Congress, but also affect the activities of the judicial branch, the third branch of Government, so it is from that perspective, the perspective that says that our forefathers did not want the executive branch to have this much authority.

Indeed, the Presidency of the United States is a very strong position, but our forefathers did not want a king. Hence, they wrote a Constitution which gave the executive branch powers which were appropriate to a system where we had a balance of power, and not a monarchy.

Again, I say, Mr. Chairman, it is from that perspective that I offer this amendment, not in support of the legislation that is on the floor, but in clarification and mitigation of the powers that this legislation gives to the President of the United States.

Mr. Chairman, frequently in legislating appropriation bills Congress retains power to prohibit spending through clauses such as "no such funds appropriated under the act may be used for," and then the list,; for example, years ago that was how funds were withheld from funding the Vietnam war; or to limit spending through such provisions as "no more than x number of dollars shall be used for," and then you fill in the blank for what that limitation may be.

So the purposes of the amendment, Mr. Chairman, is to clarify that under this legislation the President does not have the authority to use the line item veto to strike congressional prohibitions or limitations on spending in any appropriations bill.

While I believe this language is consistent with what was reported from the Committee on Government Reform and Oversight, I believe that this amendment is necessary to make it very clear that this is the congressional intent.

With that, Mr. Chairman, I would like to engage the chairman of the committee, the gentleman from Pennsylvania, [Mr. CLINGER], in a colloquy.

Mr. CLINGER. Mr. Chairman, will the gentlewoman yield to me?

Ms. PELOSI. I am pleased to yield to the gentleman from Pennsylvania, the chairman of the Committee.

Mr. CLINGER. Mr. Chairman, I support the gentlewoman's amendment. I think it makes a valuable addition to the bill. It makes it very crystal clear that this authority that we are giving to the President is very limited in what he can do. It is limited to dollar amounts. I think it is a very constructive and helpful amendment.

Ms. PELOSI. Reclaiming my time, Mr.Chairman, that would say, then, that the understanding of this legislation of the chairman of the committee, with the passage of this amendment, is that the President does not have the power to remove prohibitions or limitations on funds?

Mr. CLINGER. If the gentlewoman will continue to yield, that is right, has no power to change authorizing language in any respect whatsoever. I think that is the intent of the gentlewoman's amendment. That is what it does.

Ms. PELOSI. I thank the gentleman.

Mr. SOLOMON. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I am pleased to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I thank the gentlewoman. I certainly concur with the chairman of the committee, the gentleman from Pennsylvania [Mr. CLINGER].

Mr. Chairman, I wanted to tell the gentlewoman she was making great progress on this issue until she mentioned Vietnam. We will let that go by and just say that we prefer that if we accept her amendment, that she be in favor of the bill. However, nevertheless it is redundant, but it does speak to the clear intent of the bill, and we would certainly have no objection to it, either.

Ms. PELOSI. I thank the gentleman. Mr. Chairman, I think this is an example of where, as the gentleman is a supporter of the bill and I am an opponent of the bill, that I am seeking to mitigate the impact of the legislation, and I am pleased that it is acceptable to the majority side.

I thank the gentleman from New York [Mr. SOLOMON] and the chairman of the committee, the gentleman from Pennsylvania [Mr. CLINGER], for their support of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Ms. PELOSI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MORAN

Mr. MORAN. Mr. Chairman, I offer amendment No. 1.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MORAN: At the end of section 2, add the following new subsection:

(d) LIMITATION ON APPLICATION.—This Act shall not apply to any discretionary budget authority for the judicial branch of the Government.

Mr. MORAN. Mr. Chairman, the purpose of this amendment is simple. It exempts the judicial branch from the provisions of this bill. It is not meant to gut the intent of this bill in any way, and certainly is not any kind of dilatory tactic. In fact, I trust that there are as many constitutional scholars on the Republican side of the aisle as the Democratic side of the aisle, so I would assume this would be a bipartisan amendment.

Imagine, Mr. Chairman, this scenario: a new President comes to office, promising an activist agenda. In his first 100 days he offers sweeping new initiatives that create new Government programs, impose new regulations on different sectors of the economy, and greatly revolutionizes the current system of Government, but this President's new ideas run up against a very resistant judiciary.

The Supreme Court does not agree with what he wants to do, so one provision after another of this New Deal of legislation is overturned and declared unconstitutional. The President becomes frustrated, and tries to bend the will of the courts. The courts resist, and become even more intransigent. The President tries to pack the court with people that agree with him, but he is unsuccessful.

What does he do? He punishes the courts, but in a number of very subtle ways. He cuts their funds for bailiffs, he cuts their travel funds so they cannot travel anyplace, he refuses the request for new judgeships, he cripples the court.

Does this sound farfetched? Well, it happened. It happened under President Franklin Delano Roosevelt. Mr. Chairman, this scenario could happen again if this legislation is passed without this amendment.

Mr. Chairman, one of the most important foundations of our system of Government is the separation of powers. It is advanced and guaranteed by the independence of our judicial branch, and the independence of our judiciary is secured by its independent budgeting authority.

This was not always the case. Before 1939, Mr. Chairman, courts were administered through the Justice Department, within the executive branch. They had to submit their budgets through the President, and this placed the power and authority over the fiscal affairs that were necessary for the conduct of those courts in the hands of the chief litigant before those very same courts.

Congress recognized the inherent conflict of interest that dependence of the judicial branch upon the executive branch could cause.

□ 1410

And so it created the Administrative Office of the U.S. Courts, to ensure that the courts were removed from that undue influence.

Today the President does not have the authority to modify the judiciary branch's budget requests. He has to submit them to the Congress unchanged. That is a law. Congress then has the full authority to appropriate funds for the judicial branch. But under no circumstances can the President punish the court because he disagrees with its judgment.

This law would repeal that law, because it returns us to the situation before 1939 and once again gives the chief litigant before the U.S. courts the authority to reduce or to eliminate specific appropriations for those courts.

As the gentleman just explained, he can reach in, inside the line item appropriation that funds the Supreme Court or any other court of appeals, and he can pick out individual activities that would not represent a blip on the budget. They are less than 0.01 percent. But those kinds of activities are dependent upon those thousands of dollars, taking them away could cripple the ability of our courts to conduct the business of this Government, because the law says he can veto all or any part of a line item of an appropriations bill.

That is exactly what some President in the future, will do with this line-item veto authority, and I would remind our colleagues, we are not just passing legislation for 100 days or one term of Congress but in fact for the rest of American history. This is profoundly important.

The CHAIRMAN pro tempore [Mr. HOBSON]. The time of the gentleman from Virginia [Mr. MORAN] has expired.

(By unanimous consent, Mr. MORAN was allowed to proceed for 3 additional minutes.)

Mr. MORAN. Mr. Chairman, I want to emphasize that this amendment has nothing to do with busting the budget, it represents less than .1 percent of the budget, but has everything to do with busting the principle of separation of powers.

The gentlewoman from the District of Columbia [Ms. NORTON], just joined us. I want to mention a point she made in committee, because it is terribly important for us to focus on this. Sometimes when we can focus on specific situations, we understand the principle involved.

The gentlewoman from the District of Columbia [Ms. NORTON] reminded us of how President Eisenhower contacted Chief Justice Earl Warren during consideration of Brown versus Board of Education and told the Chief Justice he did not think the country was ready to desegregate our public schools. But the Chief Justice was able to ignore the President and do what I think was right, what I think the American people know was right, because he did not have to go to the President the next January hat in hand and ask for the money to conduct the Court or for whatever additional bailiffs or clerks were necessary, because he had independence from the President of the United States, from the executive branch.

The goals of this legislation are noble. We must reduce Federal spending and protect the taxpayer from unauthorized and unjustifiable pork spending. But the judiciary is not and never has been part of the problem. Not one dime in the judiciary account is spent for Members' projects or for pork. In the process of accomplishing something else, let us not destroy the independence and the autonomy of our judicial system to cure a disease that simply does not exist.

I implore my colleagues, please pass this amendment. Maintain the separation of powers and show the respect of our Founding Fathers in the Constitution that has endured for the last 200 years.

Mr. CLINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me say that this issue is an important issue. It is an important one that was considered at great length during deliberations on this matter in the committee. The amendment was offered by the gentleman from Virginia and was defeated 29 to 17 on a bipartisan basis.

I must say that I really respect the gentleman from Virginia a great deal and I know of his interest and concern in this matter. I appreciate his concern for the judicial branch. I certainly share his interest in ensuring that our Federal court system obtains the resources it needs to remain strong. That is the gut issue here.

I am not convinced, however, that an exemption from the item veto is required in order to maintain that strength.

Our Founding Fathers were very deliberate when they established our tripartite system of Government, and I do not believe they accidentally stumbled onto a system where Congress appropriates funds subject to Presidential approval and veto. They devised that system intentionally, made no exception to the general appropriations presentation-veto process for the judiciary. They treated all branches the same, just like any other program, branch or agency, including Congress and the executive branch where there are equal opportunities to engage in the sort of mischievous conduct that the gentleman from Virginia foresees in this instance if we do not exempt the judiciary.

The judiciary was required to seek and justify the funds it needs before both Congress and the President. That process has not been substantially changed in over 200 years. The judiciary is not currently exempt from either the traditional veto or the existing empowerment process.

This would represent a change from existing procedures. Under the empowerment process, the judiciary is not exempted. For Congress to provide what I consider to be a really sweeping and unique exemption without careful consideration would in my judgment be imprudent.

Even though the House and the Committee on Government Reform and Oversight in particular have considered the Federal empowerment process numerous times over the past 20 years and have held dozens of hearings on the issue, I must tell the Committee that our entire consideration of the judicial exemption issue, in addition to the debate we had on the gentleman's amendment, was rally a 15-minute presentation at a single hearing that we held by one Federal court judge about 2 weeks ago.

I might also state that we have reviewed all of the 43 States that have a line-item veto to see if in fact there is an exemption provided for the sort of thing that the gentleman from Virginia seeks to do at the national level, and there is no such exemption on any of the States that have the line-item veto.

Because I do not believe that it is wise for the House to provide an exemption which fundamentally alters the treatment of the judiciary vis-a-vis the other branches and every other Federal account without careful consideration, I must oppose the gentleman's amendment.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the requisite number of words and to support the Moran amendment that exempts appropriations for the judiciary.

Mr. Chairman, this amendment points out very clearly that this bill has implications for our whole system of Government that go far beyond cutting the Federal deficit.

The independence of the Federal judiciary is a cornerstone of our democracy and it is directly threatened by the power H.R. 2 gives the President.

Do we really want the President to have the extraordinary power this bill would give him to cut funds for the administrative expenses of courts whose decisions he might not like?

Some would say the Congress already appropriates funds for the judicial branch, so why not give the President this role?

However, there is an important difference. The legislative branch is not a party to many cases before the Federal judges. However, about 50 percent, half, of all cases before the Federal courts involved the executive branch as a litigant. Clearly the executive branch has plenty of reason to want to influence Federal judges.

Unfortunately, this bill gives the President the ability to exercise that influence in a very deliberate and a very direct way.

I would ask my colleagues to just stop a moment and think back to past Presidents who have had major issues before the courts. As has already been mentioned by the gentleman from Virginia, President Franklin Roosevelt went to great lengths to defend the New Deal programs against challenges before the courts.

□ 1420

President Nixon fought bitterly to prevent the release of the Watergate tapes.

It was also President Nixon's refusal to spend funds Congress appropriated, I would remind my colleagues, that caused Congress to enact the Impoundment Control Act.

Can anyone here say that a strong and determined President would not use the line-item veto authority in H.R. 2 to influence judicial rulings? Of course not. It is far too great a risk for this Congress to be taking in the name of deficit reduction.

I would remind my colleagues that it was concern about Presidential pressure on the judiciary by President Franklin D. Roosevelt again that led to the enactment of the Budget and Accounting Act. We talk about accountability. The Budget and Accounting Act, under this law, the judiciary submits its budget requests to the President, and the President is required to transmit them on to the Congress without change.

If we do not adopt the gentleman from Virginia's amendment, we will have effectively nullified the Budget and Accounting Act. Even though the President would not be able to change the judiciary's budget before it is submitted to Congress, he could use his authority in H.R. 2 to line-item veto the judiciary budget after it is enacted by Congress.

Does this make any sense? I do not believe the American public will think their interests have been well-served when they find out this bill compromises the independence of the Federal court system.

To millions and millions of Americans—minority citizens, women, the poor—the Federal courts have been their strongest, and at times their only defender. In many cases, the issues before the courts have not been popular, and judges have had to make difficult decisions.

I, for one, do not want to make it more difficult for the courts to uphold and protect the civil and constitutional rights of our citizens.

Whether you are for the line-item veto, or not, I firmly believe that it is in all of our interest not to tamper with the independence of our Federal courts. I urge each and every one of my colleagues to vote for this amendment.

It makes good sense to do so, it is constitutional to do so, and it is the right thing to do.

Mr. SOLOMON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Pennsylvania [Mr. CLINGER] has made for Members all of the good arguments against this amendment. So we will try not to repeat those.

But as far as the salaries of judges are concerned, article III, section 1 of the Constitution, and you have a copy of it over there, prohibits this body from fooling around with their salaries.

As far as courthouses are concerned, they do not even come under the judiciary budget.

I used to be on the Public Works and Transportation Committee with my friend from Pennsylvania, Mr. CLINGER, over here. Courthouses come under the Treasury and Post Office appropriation, not under the judiciary budget.

But the thing that really gets under my skin is when I hear my good friend, the gentleman from Virginia [Mr. MORAN], stand up and he says this item only counts for one-tenth of 1 percent of the budget. How many times have I heard that?

You know, last March I introduced a balanced budget on behalf of about 50 Republicans and Democrats. It cut everything almost across the board, some more than others because it was program specific. But I got calls from all over this country saying, "You know, this program only takes one-tenth of 1 percent." Well, one-tenth of 1 percent of the budget adds up to a lot of money. We just finished putting people like me in that bind.

My friend, the gentleman from Massachusetts, JOE MOAKLEY, who was chairman of the Committee on Rules, had so much staff running around that they were coming out of his ears, and we cut his staff back in this Congress by a whole third. Do my colleagues know what? It is functioning very, very well. I got about half of what he had, and we are still doing the job.

But we set the example for the rest of the Federal bureaucracy. Now we are going out and we are going to shrink the rest of the Federal bureaucracy, hopefully by a third or more.

And that is true of the judiciary as well. They have got a lot of employees over there. But if we are going to shrink the Congress, and if we are going to shrink the Federal Government, and General Motors and G.E. and IBM and everybody else are going to downsize, I think the judiciary could be downsized a little bit too, if a President saw fit to do so. That is all. It is very clear.

Mr. MORAN. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to the gentleman from Virginia.

Mr. MORAN. I thank the gentleman for yielding.

First of all, I never mentioned the actual salaries of judges and we know that that is not affected. But certainly the salaries of the clerks, the administrative personnel, any travel money, bailiff money. Now there are incidental expenses, and I think it is an important point to make that this is not really relevant to the budget issues before us.

I would ask the gentleman, has he ever heard of any pork on any issue within the judiciary appropriations? I was on the appropriations subcommittee that provided the money. It is a small amount; it does not increase much each year.

The courthouses which have been controversial, come under the General Services Administration. That is not under this budget, we are talking about that. We are talking about just incidental expenses to conduct the operations of the Supreme Court and the U.S. Circuit Court. Their caseload has gone way up, there is a long delay. We are trying to expedite the process of the criminal justice system in this country and here we are going to make an issue out of this relatively small amount, all in the guise of line-item veto.

Mr. SOLOMON. Let me just reclaim my time by saying last year the judiciary request was for $3.1 billion, a lot of money. This Congress did not give them $3.1 billion, I think we gave them $2.8 or $2.9 billion, because we did not feel they needed it.

We are the keeper of the purse strings.

Mr. MORAN. That is five one-hundredths of 1 percent of the budget.

Mr. SOLOMON. Now a billion here, a billion there, we are talking about a lot of money.

The gentleman's amendment is not the only amendment pending. There are 31 of them out there. A number of them have exemptions in them. There is another one coming up to exempt the legislative branch. Should the legislative branch be exempted? No; the answer is no. And we should not exempt anybody. Let us put them all in the pot and I think any President, Democrat or Republican, is going to be fair. It is his responsibility to run this Government. Ours ought not to be micromanaging, but legislating and passing laws. Let the President run the country.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment which I am cosponsoring today with my friends, the gentleman from Virginia [Mr. MORAN] and the gentlewoman from the District of Columbia [Ms. NORTON].

Mr. Chairman, at the outset I want to assure my colleagues that this amendment is not some frivolous attempt to cripple this bill.

It is not our purpose to argue with or pull a fast one on those who feel that the line-item veto is needed to control spending.

The budget of the judicial branch is a minuscule part of the Federal budget. This is not about balancing the budget or cutting pork.

Our amendment is even more important: safeguarding the judicial branch from the possibility of intimidation, the possibility of pressure from the President.

For 200 years, the Federal courts have been the guarantor of individual rights and the dispenser of both justice and mercy in our legal system.

More than any other institution of our Government, the courts made possible—despite enormous opposing power—the full rights of citizenship for millions of African-Americans and other minorities.

The judicial branch of Government also deals with some of the most controversial and emotional issues in our society—issues that are also among the most difficult for us to deal with.

As my colleagues have pointed out, our history is replete with Chief Executives using whatever tools at their disposal to pressure or intimidate the judiciary and thereby exercise improper influence over its decisions.

The Nation's founders did not trust, nor should we trust, the President's good sense, or his sense of duty or honor, to protect the judiciary from undue influence and to insure its independence.

Mr. Chairman, we are all politicians here. All of us know the practical uses of political power in all of its subtleties. We use our power to send messages, to change policy, to influence decisions, and to get results.

Maybe not today, maybe not 10 years from now, but someday in our future—as has been the case in our past—some President will be locked in battle with the courts.

I say to my colleagues, if you believe that every President of the United States will always "do the right thing"—that the President of the United States will always use his power responsibly, then you should vote against us.

But if you mistrust too much power in the hands of the Executive—as did this Nation's founders; if you believe in our system of checks and balances; if you believe in a free and independent judiciary; if you believe that Congress has the responsibility and the obligation—as we all swore on this floor 4

weeks ago, when we took the oath of office—"to preserve, protect and defend the Constitution of the United States," then you should vote for our amendment.

□ 1430

Mr. BLUTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think those of us in the majority have a great deal of respect and admiration for the gentleman from Virginia. He is an able member of the Government Reform and Oversight Committee and adds a lot to the debate on that committee and did on this particular issue which was dealt with extensively in the committee.

We join him in believing in an independent judiciary. We do think that that is a cornerstone of our democracy. But we also believe that his amendment puts the judiciary on a higher plane than the other branches of Government, and in so doing tilts the balance of power toward one branch.

The Founders clearly wanted a system of checks and balances where each branch would be able to counteract the excesses of the other branches, and they particularly wanted that to happen when two branches got together on something, as the gentleman's amendment is putting forward.

The Founders dealt with this particular issue and decided that only salaries—only salaries would be cordoned off and protected in the Constitution, but that everything else would be in play in terms of our system of checks and balances. They did that, I think, in a narrow way for a very good reason, that the judiciary is not above scrutiny, is not above the checks and balances that we seek in our system of Government.

This bill does not change the Budget and Accounting Act. The judicial budgets would still flow through the executive to the legislature unchanged, but after the legislature intervened and dealt with the judicial budgets, then it is proper that the President would be able to exercise his ability to act as a check and a balance on that budget, and that is what the existing situation is, and that is what the line-item veto would allow the executive to do.

We heard great testimony from the State governments and the Governors who have a line-item veto, and in most cases, if not in all cases, the Governors are not precluded from using their line-item veto with regard to judicial expenditures, and that is as it should be. Governor Weld of Massachusetts described a situation that often happens, not only in Massachusetts but in many States in which legislative appropriators get together with the judiciary to form a kind of deal in which levels of budgets are set and, indeed, numbers of court officers are set, and at what court they will be stationed and even to the extent of who will hold those court officer jobs, and more often than not those jobs ultimately end up being held by the political cronies of the legislative appropriators.

I believe that the executive, the Governor, should have the right to discipline that process, to act as a counterbalance when the legislature and the judiciary get together on something like that.

And so it is proper that they would be able to veto, use a line-item veto, to say, "Hey, folks, wait a minute, that is not proper. It is not good for the taxpayers, the deal that you struck on court officers and the level of your budget, and the Governor is going to veto that." That is a proper check and a proper balance.

I would ask, how is the relationship between the Legislature and the judiciary somehow above these checks and balances? They deserve to be scrutinized as forcefully and as vigorously as any other branch.

And finally, with regard to the fact that the Executive is a litigant before the Federal courts, which is true, but it is also true that the courts can interpret legislative laws and, indeed, from time to time strike down congressional action as unconstitutional. So it is not a complete separation with regard to that.

I think the amendment offered by the gentleman from Virginia is a mistake. I think we should reject it. I think we should pass a strong line-item veto bill for the President of the United States.

Ms. NORTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we spent a lot of time in committee. I do not think that it was expected that we would spend as much time, but the debate was, indeed, revealing, and many Members simply had not spent a lot of time thinking about the judiciary and the role it plays or might play generally.

For this amendment, for example, there were Members who thought that in effect what you could do is to strike a line from the judiciary budget, and the debate clarified that you could get down to the lowest level of expenditure, because you could strike a partial expenditure as well.

What was fascinating about the debate was that there was not always a deep appreciation for the uniqueness of the judicial branch. Many Members think of the judicial branch—and you have heard some of the debate this evening—as just like the rest of us, just one of the rest of us. That is what I want to speak to.

Indeed, I rise to speak for the branch that cannot speak for itself, and in that respect it is particularly different from the two other branches. I do not rise to speak as a lawyer partial to the judicial branch. On the contrary, I was one of the leaders in committee in the 103d Congress to cut 10 percent from courthouses, but we were cutting from the GSA budget, not the Article III budget, the Article III court budget.

This House, of course, can cut from that budget in open debate for the world to hear and see, and you would have to be able to do that because the Framers understood they would have to leave the purse power for all branches here. When we found that there were luxurious courthouses that were heavily influenced by the judges themselves, we took the judges out of what the judges should not be in, the courthouse-building business.

But we do not ever want to give even the appearance of getting into judges' business, and what I have heard here does not show a true appreciation for both fact and appearances from the Congress, a branch for whom appearances do not mean nearly what they must mean for the courts.

Of course, we have a precedent of actual interference with the judiciary through the budgetary process, and I do not speak, of course, of the F.D.R. packing of the Court, because perhaps that kind of overt activity is most easily checked. It is the chipping away at the budget that is far easier to cover up or pass off as budget-cutting, especially when you need a two-thirds vote to override a veto.

Retaliation to the courts does not have to be very large to be very effective or to put in play a branch that should never be in play with us and where we should only have something to say about how much money they spend and just leave it as it be, and particularly leave them far away from the executive.

□ 1440

The courts are a sitting target for the Executive because it is the Executive that is the prime litigator before the courts, and they have a massive opportunity to tick the Executive off precisely because the Executive is always there before them. The Congress was so concerned about what in fact exists in actual precedent that the Budget and Accounting Act says that the Executive has to submit the budget of the Judiciary as is. We are told that nothing here would change this. Nothing would change that, of course; instead of a crack on the front end we open a crack on the back end. If you mean the Budget and Accounting Act, and you act like you mean it, then you don't give up a whole lot when you leave the judiciary independent; you do give up a whole lot when you say we are going to treat the Executive the way we treat everybody else, no different from anybody else.

Go back to Civics 101: You do not have to go to law school to appreciate that the courts are different, and we have to concede that they are different. There are reasons for safeguards here.

You have to ask yourselves, "Yes this will be another check." But I ask you is that check on the courts worth it? Is it worth giving the appearance that the Congress would like to get to a part of their independence, allow the Executive to get to a part of their independence, as indeed he could do.

The Executive and the Congress are not independent branches; we are meant to be responsive branches. In that way we are very different from the judiciary. We, the Congress, and the Executive are much more alike than the judiciary is like either of us. They deal with cases and controversies, especially cases and controversies involving the Executive. We do not. We must keep them out of the fray.

The CHAIRMAN pro tempore (Mr. HOBSON). The time of the gentlewoman from the District of Columbia has expired.

(By unanimous consent Ms. NORTON was allowed to proceed for 2 additional minutes.)

Ms. NORTON. I thank the Chairman.

We must keep them out of the fray, we must keep them from appearing even to be in the fray. There is such a strict sense of ethics in the profession that the judiciary may only come to Congress and testify on limited matters, even when those matters involve themselves. We must engage in conflict avoidance when it comes to the judiciary. We must show restraint when it comes to the judiciary.

It was no part of the intent of the sponsors of this bill to alter the balance of power between the Executive and the judiciary. The intent clearly was to alter the power balance between the Executive and the Congress.

We do not seek to alter this balance here. We do not need to alter this balance here. It has never been much of a temptation. Yet we are creating the impression we would like to open up that temptation.

The judiciary cannot speak for itself today. There is a good reason for that. That reason is to completely depoliticize the judiciary. Ironically, their silence, their mandated silence is part of their independence.

So I rise to speak for an independent judiciary. Our bill loses nothing by insisting that the judiciary remain impregnable as a matter of fact and as a matter of appearances.

Mr. GOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I missed some of the debate, but if I heard correctly, the gentleman from Virginia [Mr. MORAN] says the President cannot alter the budget of the judiciary submitted to him by that branch. I do not think the gentleman from Virginia would argue that somehow the Congress is bound not to alter the request that we get from the judiciary in the appropriations bill. That just would not make sense. Of course, as I believe the chairman of Committee on Rules pointed out, the judicial branch last year actually got a little less from us than they wanted, than they submitted.

The point I am trying to make is I do not think we should treat the branches of government differently and put one above and out and off the reservation because of some concern that someday we might have intimidation or some other thing.

That is all part of the give and take of the process. We are trying to open up the process, open it up to the sunshine, saying this is an orderly way to submit a budget, everybody will honor the budget. Then it goes through a process. Then when we add the powers we have to do the business of governance in our Nation and clarify what should be done and should not be done, that is the process. If we find we are spending more than we are taking in, then we have the opportunity for some rescission.

It is at that point that we work together with the executive and say, together, how do we deal with this prioritizing where we want to spend our money. I think that is the point we are trying to make. I think the point you all are trying to make is that we are somehow going to have to set the judiciary off the reservation; it would be out of the process because they are somehow sacrosanct. I just do not think that is an accurate description of the way it is supposed to work. I think we are all supposed to equally participate. If there is belt tightening, it is everywhere. If we accomplish all budgets that are appropriate, then we will do that.

Mr. MORAN. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I am happy to yield to the gentleman from Virginia.

Mr. MORAN. Mr. Chairman, I thank the gentleman for giving me the opportunity to clarify.

There is a 1939 law that prohibits the executive branch from altering the budget request of the judiciary.

Now, it is up to the legislative branch to pare back, to make sure that it is an appropriate request. We have done that every year. Last year I think we cut it—I think the gentleman mentioned $3.1 down to $2.8 million. They took their share of the cut along with everyone else. We do not have a conflict of interest with the judiciary. We do not litigate half of the cases before the Supreme Court. That is why that 1939 law was put in.

So I have to correct what the gentleman suggested. The President, the executive branch does not have the right to alter the judiciary appropriation, which is a budget request at that point. This law would give the President the ability to change our appropriation level, which does not have to be what was requested. The Appropriations Committee has full latitude to appropriate whatever we want. But we have no conflict of interest with the judiciary. This law says that after we make our decisions then the President can change those decisions and, for what would not be certainly budgetary reasons but would be political reasons, can change the budget of the judiciary branch; a very small amount of money.

Mr. GOSS. Reclaiming my time, I would say there are no guarantees in any legislation that we are proposing that I am aware of that is going to provide all of the protections from politicalness. I do not believe anybody has come up with that legislation. I think the gentleman has a point on his side of it and we have ours, I think.

Mr. BLUTE. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Massachusetts.

Mr. BLUTE. I thank the gentleman from Massachusetts.

Mr. Chairman, this bill does not affect the Budget and Accounting Act. The budget would still flow through the executive untouched. But once the legislative branch was involved then, rightly so, the executive branch should be involved also in our system of collection and balances.

If there are tremendous changes made by the legislative, it seems to me the executive should be involved also.

Again, with regard to this idea that somehow the legislature has nothing to do with the courts, there are no conflicts there, there are. The courts ultimately interpret our laws and from time to time strike them down as unconstitutional. That is a pretty intimate relationship.

Mr. MORAN. Mr. Chairman, will the gentleman from Florida [Mr. GOSS] further yield?

Mr. GOSS. I yield to the gentleman from Virginia.

Mr. MORAN. I thank the gentleman for continuing to yield.

Mr. Chairman, I have to remind the gentleman that the legislative branch is not a litigant before the Court. That is a problem. The Justice Department, the executive branch litigates half of the cases that come before the Court. That is where the conflict of interest exists. We do not have a conflict of interest here except in very minor areas.

Ms. SLAUGHTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish I had the eloquence and the power to try to reach out to the Members of this House today and give some idea of the depth of harm we are doing. But I know that the die is cast on this bill and that my words would just go into the RECORD and be forever lost.

The Delegate from the District of Columbia was right, we had a lengthy debate on this issue in the committee, and I think frankly it is one of the best that I have ever heard.

I suppose those of us who stand up on the floor from day to day and try to talk about the Constitution, the separation of powers, must sound quaint and even old fashioned because I know that the new day has dawned and the thing they are going to do is to keep their word with the contract.

□ 1450

The question that keeps plaguing me is: What possible reason does anyone have to believe that a President of the United States is going to be infallible, benign, upright, and totally altruistic? As a matter of fact, when someone said awhile ago we did not want to raise the judiciary above the other branches, what we are doing is raising the executive above all other branches, and, as someone said again this morning, that we are giving the ultimate weapon to the executive. When our Founding Fathers decided the best way to keep politics out of government was to have three equal branches of Government, they knew what they were doing. If we do not believe in checks and balances anymore, then let us go headlong into this business of simply giving to someone at 1600 Pennsylvania Avenue the right to decide whatever is going to happen in the Congress of the United States.

I have talked to some of the Members whose States have line-item vetoes, and in many cases it amounts to little more than an opportunity for blackmail. One Member told me in his State every member puts in everything in the world in the bills that anybody asks them to knowing they will get about a third of it, and they say, "The Governor killed it," and the Governor can also say, "If you want that water project in your district, son, you better support me for reelection."

There is no protection from that and no reason for us to believe that what we are handing over today, would not be a weapon that could be used in a political way. The only protection we have is what we have now, and this is a strong three-part Government that we are quickly dismantling.

I do want to make a plea for the amendment offered by the gentleman from Virginia [Mr. MORAN] that the courts are different. We are not talking about the bricks and mortar. It is not the buildings that we are so concerned about, and Lord knows we are going to keep costs down, and we have done that; that is our job here. We are talking about their freedom to make the best judicial decision they can make unfettered by pressure.

Why in the world would we go back to the days that many of us lived through in the Watergate era when a President of the United States did everything he could to influence the courts? But thank God for the Constitution of the United States that he was unable to do it.

Surely, as we rush to dismantle the Constitution and the government that has been the envy of the world and that has stood us in such good stead for over 200 years, we can at least make some sense out of what we are doing today, and, if we think, and many Members in this House think, that they do not have the brains, or the will, or the backbone, or the gumption, or the honesty, or even the decency to do the right thing, and they have got to let the President do it for them, at least let us do what has been suggested before. Let us speak for the branch that cannot speak for itself. Let us not destroy the judiciary of the United States which has made sure over the years that we have maintained who we are and maintained what we are.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I love the fact that we have for the first time in many, many years an open debate on what truly is a very important piece of legislation, and I know there are some Members who think it may take too long, but I have learned a lot from my colleagues on the other side, and I also have thought a lot about this issue, as they have, and want to weigh in.

I hear talk about an independent judiciary, and I want to say without any hesitation that I want the same independence, that I want the same independence that I see in the judiciary. I want to see that maintained, and I take some exception to an argument that says that somehow this amendment will give them the independence that they would not have if this amendment were not to pass.

This amendment is wrong because it flies in the face of separation of powers. We in this amendment would give to the legislature a power that it does not deserve. We would give the power for the legislature to have the same kind of manipulation that is seen in the President because the President maybe has been a Republican President for so long that they tend to think that way and think that all virtue is in the legislative branch. It is not. That is why our Founding Fathers made sure there were three separate branches with three separate powers.

I want the judicial branch to be the judicial branch. I want the legislature to be able to bring forward appropriations. I want the President to utilize the power to veto when he thinks there is excess. I do not want to create an island unto itself within the judicial branch, so I stand firmly in support of an independent judiciary.

What I think happens if this amendment were to pass is, when the judges come or their people come and sit down in that room with the legislative branch, there is a cozy possibility of a relationship, and somehow the argument that 50 percent of the litigation is the executive branch, implying that the executive branch, as the lawyer for the legislative branch, is totally in agreement with everything it brings before the court, it is enforcing our law, my law, the law of the legislative branch passed into and signed by the President. But maybe it was a previous President. Maybe it was not the President who is now President. He may not even agree with the legislation that he is having to defend because he is required to as the executive branch person.

When I hear questions to the gentleman from Massachusetts [Mr. BLUTE] and to others implying that somehow the President is the litigant, he is the attorney representing the client. We are the client. But somehow it is all right for the client and the judiciary to be in bed together in the sense of making their budget without the oversight of the executive branch. I think the executive branch should weigh in.

And when I look back at the Federalist Papers, that is what our Founding Fathers thought as well. Madison in Paper 47 said he proclaimed that accumulation of all powers, legislative, executive and judiciary, in the same hands, whether of one, a few, of many, and whether hereditary, self-appointed or elective, may justly be pronounced the very definition of tyranny.

I say to my colleagues, you think, as you argue this, that you are protecting the judicial branch in our government. I think you are hurting it. I think that we want separation. I believe with all my heart and soul, whether you agree with me or not, that I want the separate power. I don't want the executive branch being a judiciary branch. I don't want the judiciary branch being a legislative or executive branch. I want to keep them separate, and by keeping them separate we have a check and a balance.

So, I calmly, I calmly, object to the kind of comment that says that maybe we do not understand what is happening. I think we do, and I think my colleagues do as well. I just think that we come from it from a different perspective.

I believe that our Founding Fathers were right. I say to my colleagues, I believe our Founding Fathers didn't want two to team up against one. I don't think they wanted to leave one branch out so it couldn't weigh in, and I think, when you have three, you guarantee there will be fairness and that one won't become dominant, and just as some of my colleagues, who rightfully know that the judicial branch, in particular as it relates to civil rights issues, has been your champion, just as it has been, there may be some day when it isn't your champion. It may be that the executive branch is your champion, and it may be the judicial branch——

The CHAIRMAN pro tempore (Mr. HOBSON). The time of the gentleman

from Connecticut [Mr. SHAYS] has expired.

(By unanimous consent, Mr. SHAYS was allowed to proceed for 2 additional minutes.)

Mr. SHAYS. It may be that the executive branch is your champion and my champion on this issue and that the judicial branch isn't. It could be a different court. It could be filled with different people.

In response to the question, do I think all virtue is in the executive branch: of course not. In response to the question, do I think all virtue is in the judicial branch: of course not. In response to the question, do I think all virtue is in this place: no, I think it is not, and that is why I want that balance, and that is why I want those powers separate, and I will fight as hard as I can to somehow cut out one branch from the process that it was given to us by the Founding Fathers.

I know we are all sincere here, and at the end I could be wrong, but I feel this as passionately as my colleagues do on the other side.

□ 1500

Mr. TORRICELLI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from Virginia [Mr. MORAN] and against the line-item veto.

Mr. Chairman, when the 20th century concludes, there will be but two nations who end this period of history with the same form of government with which the century began. All others have fallen victim to revolution or tyranny, internal or external. Only the United States and Britain remain. And if there is a common thread through their forms of government that may account for their survival, it is the concept of limited executive power and the separation of the powers of government.

Our Founding Fathers believed that the principal threat to American liberty would never be a foreign foe, no invader or tyrant. It would be within us, if anyone succeeded in concentrating executive powers. So, based on their own experiences with the British monarchy, they sought to divide the executive powers of this country to assure that there was no concentration. They recognized, as we have experienced, that it would often be inefficient, sometimes wasteful, always slow, and, as indeed history has proven, it would be very frustrating, but that indeed nothing else could assure the continuation of liberty.

Under this system we have seen the appointment of Presidential powers; taxation powers to the Congress, appropriation powers; declaration of war to the Congress; Commander in Chief to the President. But the balance has worked.

Now some would have us believe that one man, a President, would better serve this country by having the power to rewrite or eliminate entire appropriations. Their argument rests first on the notion that there is no other alternative to reducing spending. This ignores the fact that in our constitutional scheme, there is already a right to reduce spending through rescission. Indeed, in the last 20 years Presidents have proposed 72 billion dollars' worth of rescissions, and this Congress has approved 92 billion dollars' worth of rescissions.

Second, their argument rests on the fact that they believe we are duplicating a constitutional arrangement that is already successfully implemented in the States. But a President, with his vast powers of war and peace, control of our liberties and our economies, is not simply a larger Governor. He has powers of a vastly different proportion.

But even if the argument were accepted, the power of rescission to both reduce and eliminate appropriations is denied 40 Governors, specifically denied them, for the very reasons we cite here today.

So we do not duplicate the experience of the States, we greatly exceed it.

Third, even if these arguments are not accepted, there is no evidence that these powers being given to each executive would in fact have a meaningful impact on expenditures.

Indeed, the Public Administration Review has studied 45 States that have a line-item veto, and concluded:

> It is easier to portray the line-item veto as an instrument of executive increasing power, rather than an instrument for fiscal efficiency. The line item veto probably has had a minimal effect on making state government more fiscally restrained.

Fourth, the entire proposal is based on the assumption that somehow Presidents have a monopoly on good judgment, that somehow they would be fiscally more responsible.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. TORRICELLI] has expired.

(By unanimous consent, Mr. TORRICELLI was allowed to proceed for 2 additional minutes.)

Mr. TORRICELLI. Mr. Chairman, the experience of this Congress in our own time has been exactly the opposite. Our national debt has increased by fourfold not because of a Congress, but because of the very executive power that you are using today to control spending. It was, after all, during the Reagan and Bush administrations where they proposed spending in excess of the spending proposed by budgets within this Congress against restraint attempted in this Congress that this deficit was created.

But indeed, Mr. Chairman, none of these arguments compare with the concern for our constitutional government. Our country has been blessed with leaders like George Bush, Bill Clinton, Gerry Ford, and Jimmy Carter, who, even if they possessed executive power, would not have abused it. But who here can be certain that will be true for all time? Who would serve on a Watergate Committee if Richard Nixon had this power over your district? How would the Vietnam war have been different if Lyndon Johnson had had the power to control your districts if you voted against appropriations? And what of Harding and Teapot Dome, or Franklin Delano Roosevelt, as the gentleman from Virginia has suggested, over the courts? How would American history have been different?

I know that our country is troubled, and I know that we have problems. But this constitutional arrangement has withstood civil wars, international conflict, and a depression, and served this country well. Certainly no problem before us today is so great that it would require us to change this balance of powers, as our fathers before us refused to do in times of much greater national peril.

The proper power of this country with regard to appropriations belongs in the People's House. If that power is not handled well, the people have a remedy with elections. It is best not taken away from the people themselves.

Mr. CASTLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to take probably less than 5 minutes to bring forth a couple of points that have been made here. One is, I do not think there is anybody in this Chamber who is any less protective than anybody else of the 435 of us of the three separate branches of government. I think it is something we have all learned and we all recognize. I have never heard anyone in this Chamber at any time before I got here or since I have been here who has in any way attacked that particular premise, and my judgment is that this legislation, the line-item veto legislation, does not really attack that particular premise.

I believe that the three branches of government continue to be protected. If we were really concerned about the involvement of the President with respect to the Federal judiciary, I would think we would have legislation before us to take away the right of the President to appoint the members of the Federal judiciary, who I might add are paid very well, they are paid for life, and they have lifetime appointments. So I do not think they feel very threatened by what this Congress may do in this particular legislation.

Obviously, as has been explained here, I think the gentleman from Virginia [Mr. MORAN] explained it, the money we are dealing with here is really funding of some of the clerical and

other functions of the judiciary. It is clearly an issue of concern to them, but I do not think in any way could this Congress or the President of the United States either overturn or influence the judiciary with changes in that particular area.

But I have looked back, and it has been said on this floor before and it should be repeated, that as far as I know, none of the line-item vetoes in any of our 43 States pertains to an exception for the judiciary. It just does not exist. I do not know of any exceptions for any parts of those governments.

Generally when a line-item veto has been granted, when it has been sought in the history of this Congress, it has been sought for the entire spending programs that may be in a budget, and nobody has been exempted before, no part of the budget has been exempted before.

I should also point out that under this particular legislative line-item veto, that Congress can override a presidential veto. Yes, you have to go through a majority vote and a two-thirds vote, but indeed it can happen.

□ 1510

I would suggest by that that if a President would do what some Members have insinuated that a President might do or possibly could do, they would do this at high political risk. There is not a single Member who is opposed to that who would not rise to it and say that the President had no right to line-item veto that particular item. We feel that was wrong and we feel that President should pay for it. I think politically they would pay for it.

I would also point out that in the framework of the work that is done by the Budget Committees and within this Congress and by the President, we have always set the budget of the judiciary. It is something that has always been up to the other two branches of Government. It is not set by the judiciary. I think we need to remember that as we continue to debate this argument.

Also, if we start here with the judiciary, and admittedly we are talking about a branch of Government so it seems to have a greater ring of importance to it, but the bottom line is, if we start there, are we going to start to exempt other areas of importance. How about a President who does not like defense? Are we going to start to deal with that, or EPA or something of that nature?

I think for all of these reasons that the argument is actually, while it is important and the earnestness of those who are making it is absolutely sincere and real, and I believe that, my view is that this particular argument, while it is not de minimis, is of much less importance in terms of the ability to influence the judiciary than has been made here today.

For all these reasons, I oppose this particular amendment. And I assert that the line-item veto should continue as it is, unfettered by any exemptions to it so the President and the Congress can work together to have better budgetary processes in this country.

Mr. SPRATT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. I might add I knew nothing of the purpose or the need for such an amendment until I attended the hearing which our committee held on this particular bill. I think it bears emphasizing that this amendment was not originated in our committee. It was requested by the judiciary conference and a representative of the judiciary came and asked for it specifically.

Basically I think it is worth stressing that if we adopt this amendment, we lose very little in terms of strengthening, bolstering, building up the budget process, which is the purpose of this bill, but we gain a great deal in terms of protecting our political processes.

What are the purposes of this bill after all, H.R. 2?

No. 1, it is to cut spending, cut spending and reduce the deficit. Frankly, I think it is vastly oversold. I doubt that it will really have more than a footnote's impact on the deficit reduction when the history of the rest of this decade is written, if it is indeed passed.

I think the more important purpose of it is to restore public confidence in the appropriations process in this Government, particularly in this Congress. The people want to know that the budget has been scrubbed. They want to know that we have culled out and the President has the power himself independently to cull out and clean up the budget and get rid of anything that is unwarranted or wasteful. It gives the public some additional authority, a little more confidence in this institution, which is sorely wanting.

But we can adopt this amendment and should adopt it and not detract one wit from either one of those purposes because the amount of money we are talking about here is miniscule. This will leave, even if we adopt the amendment, the entire discretionary budget, $545 billion on the President's veto pad. He can still wield his veto pen as to all of the expenditures in defense and everywhere else in the budget.

Indeed, if the proponents of this bill, H.R. 2, are concerned about this amendment because it is a tiny exception, it is a small loophole, they really should focus on two amendments that we are going to offer later in this process. One is to expand the coverage of the President's veto so it extends the contract authority implemented in public works bills. That is worth considering. It has vastly more significance than this particular amendment here. Or they should look at the Tax Code and the amendment we will offer that deals with tax expenditures which is spending by another name implemented through the Tax Code.

Those two amendments would vastly expand the reach of the President's veto power and undergird the purpose of this bill a lot more than this minor amendment which we are talking about here, minor in terms of detracting from the budget process.

So we have an alternative, if we want to make this bill more effective. We can pass this bill, as the gentlewoman from the District of Columbia said, and lose nothing, really. But we gain a great deal in terms of our independence. We do not detract in the least from the line-item veto power, but we do defend a concept that has lasted for 200 years, a concept that we cherish in this country, that is judicial independence, the independence of our judicial branch.

Mr. Chairman, I yield to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I certainly thank my friend, the gentleman from South Carolina. In fact, there is less need to stand up, after listening to my colleagues make the arguments so eloquently, more eloquently than I have been able to, but I would certainly underscore the point that we are not talking about anything that is particularly relevant to balancing the budget here, we are talking about approximately one one-hundredths of 1 percent of the budget.

So it is not an issue of money and there has never been an issue with regard to the judiciary branch appropriation. We cut it each year, the legislative branch does. And it amounts to a little bit of money.

But even if we eliminate it entirely, all the functions of the judiciary branch, it is not going to create a blip on the Federal deficit. But I think it would do profound damage to the structure of this Government.

And my friend from Connecticut, who has left, said that we might have a different opinion if there was a different party in the White House, if it was a friend versus someone we oppose politically. I would remind my friend from Connecticut and anyone else who was persuaded by that argument that in 1939, when the law was passed that we are really addressing, it was an overwhelmingly Democratic Congress. They had to show a tremendous amount of political courage to say: Wait a minute, there is something wrong here. There is something wrong. The President is abusing the fundamental principle of separation of powers.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from Virginia [Mr. MORAN] which would exempt

spending for the judicial branch from the scope of the line-item veto legislation.

In the debate on another amendment, I rose in opposition to this legislation, the line-item veto legislation, because I believe it gives too much power to the executive branch. And the tradeoff, in turn, to reduce deficit spending is not enough to justify that exchange.

But whether we agree or disagree on what form the line-item veto should take, whether it is two-thirds to override a President's veto or whether we agree or disagree on whether there should be enhanced rescission with a simple majority to get a particular project back into the appropriations bill, I think we should remove all doubt in everyone's mind that we all do agree that the separation of power is important to us, that we are true to the commitment of our Founding Fathers of separation of power.

I think this is a sad day when we are abdicating to the executive branch what our Founding Fathers did not give them.

My only hope and encouragement I received is from the leadership of the gentleman from Virginia [Mr. MORAN]. I think it is completely appropriate that he is presenting this amendment, that he has worked so hard on it, and it is in the spirit of our Founding Fathers from Virginia that he carries on their legacy.

Mr. Chairman, I yield to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I thank my very good friend from California so much, particularly for her very kind words.

There is no question that whereas the Founding Fathers, many of whom came from Virginia, will remain in our memory, I am not going to remain in anybody's memory after I am out of this House. And in fact, the people that stood in this very body and that cast the vote in 1939 to establish a law protecting the separation of powers are lost from memory. We do not remember their faces or their names or even their words.

□ 1520

However, their action was remembered because they did the right thing. They showed a whole heck of a lot of political courage in standing up to an extremely popular and almost domineering President.

Members can be sure that there was a lot of pressure on them to do the easy thing, to let it go, but they would not, because they understood that the structure of our Government was threatened, so they said, "No, Mr. President, you cannot do that. We have got to make the judicial branch independent," because we have three branches of Government.

When we are in conflict, we need that third branch of Government to render an independent judgment. That is what the American people ought to be able to depend upon. Every American voter ought to have the security that the structure of our Government, which has endured for 200 years, which has been a model for the whole rest of the world, will continue in its enduring form.

Mr. Chairman, I do not want to get too melodramatic here on this vote. I do not want to overstate the case. However, I think it would be difficult, really, to overstate this case, because in the process of trying to respond to what the polls tell us and to what the public sentiment seems to be, to cut the budget, to give the President extraordinary powers, to eliminate pork and so on, we are going to do real damage to the fundamental underpinnings of our democracy.

Mr. Chairman, I would urge my colleagues to act as that Congress in 1939 acted, to show the kind of political courage that they showed, to do the right thing as they did, to sustain our separation of powers, and to maintain the independence of the judicial branch of Government.

Mr. Chairman, the issue cannot be overstated. I thank all of my friends and colleagues who have stated the argument so much better than I. Mr. Chairman, I would urge this body to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. MORAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MORAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 119, noes 309, not voting 6, as follows:

[Roll No. 85]

AYES—119

Abercrombie	Evans	Lofgren
Ackerman	Fattah	Lowey
Barrett (WI)	Fazio	Luther
Bellenson	Fields (LA)	Maloney
Berman	Filner	Manton
Bishop	Flake	Markey
Bonior	Foglietta	Mascara
Borski	Ford	McDermott
Boucher	Furse	McKinney
Brown (CA)	Gejdenson	Meehan
Brown (FL)	Gephardt	Meek
Brown (OH)	Gibbons	Menendez
Clay	Gonzalez	Mfume
Clayton	Green	Mineta
Clyburn	Hastings (FL)	Mink
Coleman	Hefner	Mollohan
Collins (IL)	Hilliard	Moran
Collins (MI)	Hinchey	Obey
Conyers	Hoyer	Olver
Coyne	Jackson-Lee	Owens
Danner	Jefferson	Payne (NJ)
de la Garza	Johnson, E. B.	Pelosi
Dellums	Johnston	Peterson (FL)
Dingell	Kennedy (RI)	Pomeroy
Dixon	Klink	Rahall
Doggett	LaFalce	Rangel
Durbin	Lantos	Reed
Engel	Levin	Reynolds
Eshoo	Lewis (GA)	Richardson
Rivers	Spratt	Tucker
Rose	Stark	Velazquez
Roybal-Allard	Stokes	Vento
Rush	Studds	Waters
Sabo	Stupak	Watt (NC)
Sanders	Tejeda	Waxman
Schroeder	Thompson	Wise
Scott	Thornton	Woolsey
Serrano	Thurman	Wynn
Skelton	Torricelli	Yates
Slaughter	Towns	

NOES—309

Allard	Ehlers	LaHood
Andrews	Ehrlich	Largent
Archer	Emerson	Latham
Armey	English	LaTourette
Bachus	Ensign	Laughlin
Baesler	Everett	Lazio
Baker (CA)	Ewing	Leach
Baker (LA)	Farr	Lewis (CA)
Baldacci	Fawell	Lewis (KY)
Ballenger	Fields (TX)	Lightfoot
Barcia	Flanagan	Lincoln
Barr	Foley	Linder
Barrett (NE)	Forbes	Lipinski
Bartlett	Fowler	Livingston
Barton	Fox	LoBiondo
Bass	Frank (MA)	Longley
Bateman	Franks (CT)	Lucas
Bentsen	Franks (NJ)	Manzullo
Bereuter	Frelinghuysen	Martinez
Bevill	Frisa	Martini
Bilbray	Frost	Matsui
Bilirakis	Funderburk	McCarthy
Billey	Gallegly	McCollum
Blute	Ganske	McCrery
Boehlert	Gekas	McDade
Boehner	Geren	McHale
Bonilla	Gilchrest	McHugh
Bono	Gillmor	McInnis
Brewster	Gilman	McIntosh
Browder	Goodlatte	McKeon
Brownback	Goodling	McNulty
Bryant (TN)	Gordon	Metcalf
Bryant (TX)	Goss	Meyers
Bunn	Graham	Mica
Bunning	Greenwood	Miller (FL)
Burr	Gunderson	Minge
Burton	Gutierrez	Molinari
Buyer	Gutknecht	Montgomery
Callahan	Hall (OH)	Moorhead
Calvert	Hall (TX)	Morella
Camp	Hamilton	Murtha
Canady	Hancock	Myers
Cardin	Hansen	Myrick
Castle	Hastert	Neal
Chabot	Hastings (WA)	Nethercutt
Chambliss	Hayes	Neumann
Chapman	Hayworth	Ney
Chenoweth	Hefley	Norwood
Christensen	Heineman	Nussle
Chrysler	Herger	Oberstar
Clement	Hilleary	Ortiz
Clinger	Hobson	Orton
Coble	Hoekstra	Oxley
Coburn	Hoke	Packard
Combest	Holden	Pallone
Condit	Horn	Parker
Cooley	Hostettler	Pastor
Costello	Houghton	Paxon
Cox	Hunter	Payne (VA)
Cramer	Hutchinson	Peterson (MN)
Crane	Hyde	Petri
Crapo	Inglis	Pickett
Cremeans	Istook	Pombo
Cubin	Jacobs	Porter
Cunningham	Johnson (CT)	Portman
Davis	Johnson (SD)	Poshard
Deal	Johnson, Sam	Pryce
DeFazio	Jones	Quillen
DeLauro	Kanjorski	Quinn
DeLay	Kaptur	Radanovich
Deutsch	Kasich	Ramstad
Diaz-Balart	Kelly	Regula
Dickey	Kennedy (MA)	Riggs
Dicks	Kennelly	Roberts
Dooley	Kildee	Roemer
Doolittle	Kim	Rogers
Dornan	King	Rohrabacher
Doyle	Kingston	Ros-Lehtinen
Dreier	Kleczka	Roth
Duncan	Klug	Roukema
Dunn	Knollenberg	Royce
Edwards	Kolbe	Salmon

Sanford	Souder	Vucanovich
Sawyer	Spence	Waldholtz
Saxton	Stearns	Walker
Scarborough	Stenholm	Walsh
Schaefer	Stockman	Wamp
Schiff	Stump	Ward
Schumer	Talent	Watts (OK)
Seastrand	Tanner	Weldon (FL)
Sensenbrenner	Tate	Weldon (PA)
Shadegg	Tauzin	Weller
Shaw	Taylor (MS)	White
Shays	Taylor (NC)	Whitfield
Shuster	Thomas	Wicker
Sisisky	Thornberry	Williams
Skaggs	Tiahrt	Wilson
Skeen	Torkildsen	Wolf
Smith (MI)	Torres	Wyden
Smith (NJ)	Traficant	Young (AK)
Smith (TX)	Upton	Young (FL)
Smith (WA)	Visclosky	Zeliff
Solomon	Volkmer	Zimmer

NOT VOTING—6

Becerra	Harman	Moakley
Collins (GA)	Miller (CA)	Nadler

□ 1540

The Clerk announced the following pair on this vote:

Mr. Moakley for, with Mr. Collins of Georgia against.

Mr. BRYANT of Texas and Mr. KANJORSKI changed their vote from "aye" to "no."

Mr. WYNN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. HARMAN. Mr. Speaker, during Rollcall Vote No. 85 on H.R. 2 I was unavoidably detained. Had I been present I would have voted "no".

Mr. WELDON of Florida. Mr. Chairman, I move to strike the last word.

Today, I rise to fulfill my promises to the people of Florida's 15th District.

We have a debt of nearly $5 trillion.

Our Government has run a deficit in 33 of the last 34 years

Today each newborn's share of the national debt is about $17,000, and will reach over $28,000 by the time this child reaches the 1st grade.

We will spend $310 billion to pay the interest on our debt this year. The interest alone is about $4,600 per year for a family of three, such as my own family.

We must stop burdening our children.

Like the balanced budget amendment, the line-item veto is long overdue.

In combination, these two bills will go a long way in limiting expenditures and helping cut waste out of the budget.

Past attempts at line-item veto legislation have failed to produce cuts, primarily because these bills left the final authority for cutting the funding with those who appropriated it in the first place.

We have all heard the examples of waste that numerous private and government studies have pointed out.

This line-item veto has teeth and gives the President permanent authority to cut out wasteful spending.

For the first time, the weight is in favor of cuts, not against them.

Along with the balanced budget amendment, this will help us bring fiscal responsibility to our Government.

Every expenditure will be forced to stand on its own merit.

Democratic Congresses rejected giving a Republican President the line-item veto, they even rejected giving a Democrat President a true line-item veto.

Today the Republican Congress gives a Democrat President and every future President line-item veto authority.

This is the clearest demonstration of just how serious the new Republican Congress is to ensuring a bright future for our children.

We recognize that our children's future is on the line.

Republicans continue keeping our promises to the American people.

AMENDMENT OFFERED BY MS. SLAUGHTER

Ms. SLAUGHTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. SLAUGHTER: Paragraph (3) of section 4 is amended to read as follows:

(3) The term "targeted tax benefit" means any provision which has the practical effect of providing a benefit in the form of a different treatment to a particular taxpayer or a limited class of taxpayers whether or not such provisions is limited by its terms to a particular taxpayer or class of taxpayers. Such terms does not include any benefit provided to a class of taxpayers distinguished on the basis of general demographic conditions such as income, number of dependents, or marital status.

Ms. SLAUGHTER. Mr. Chairman, I offer this amendment in cooperation with my colleagues, the gentleman from Wisconsin [Mr. BARRETT]. This language has attracted strong bipartisan support in the past and we hope that it will continue today.

Mr. Chairman, the title of H.R. 2 says the bill's purpose is, "to give the President item veto authority over appropriations and targeted tax benefits in revenue Acts," but if we examine the statement more deeply we discover it is only half true. The legislation does extend the President's authority over appropriations quite dramatically.

The second half of the stated goal is not fulfilled. The definition of a targeted tax benefit in H.R. 2 is extremely narrow and arbitrary, and as a rule the President is unable to rescind special tax loopholes that are hidden in revenue bills.

I have concerns about the potential I see in H.R. 2 to upset the careful balance of power established by the authors of the Constitution.

I also have doubts about the implicit assumption that the President is necessarily tougher on the deficit than Congress. In the last 20 years Congress has approved $92 billion in rescissions, $20 billion more in cuts than the President has requested in the course of those two decades.

But if the majority party in committed to shifting this power to the executive branch, then I would at least urge that we put everything on the table, both appropriations and tax loopholes.

As introduced, H.R. 2 only allowed the President to use the veto on tax provisions that benefited five or fewer taxpayers. By voice vote, the committee increased this threshold to 100 people or companies.

But whether the number is 5 or 100, however, it does not go far enough. The legislation still protects tax breaks which pander to special interests and add billions of dollars to our budget deficit.

□ 1550

We have all seen the lobbyists lingering in "Gucci Gulch," the famous corridor outside the Ways and Means hearing room. Their sole purpose is to secure sweetheart deals for their wealthy clients. The Slaughter-Barrett amendment recognizes that any Washington tax attorney worth his salary could get around the "100 or fewer taxpayers" provision. As spending caps get tighter, inserting special tax breaks will be the only way Members can take home the bacon. Every forward-looking lobbyist knows that tax breaks are the future of pork.

Simply stated, our amendment ensures that the President can rescind any tax benefit which gives special treatment to a group of taxpayers.

I cannot claim, Mr. Chairman, to be the first office holder to spot this disparity, nor the first to support a broader definition of tax benefits as the solution. In fact, the Slaughter-Barrett amendment has a long and distinguished pedigree in conservative circles. Republicans have offered the exact same language not once, not twice, but three times. We hope that Republicans and Democrats alike will again support it.

Our definition of "targeted tax benefit" was first offered on the floor of the House by former minority leader Bob Michel in April 1993, when he offered a friendly amendment to the Solomon-Castle substitute to H.R. 1578. This amendment passed by a vote of 257 to 157, on an extremely broad bipartisan basis.

I would like to emphasize again that our language is exactly the same as Mr. Michel's, word for word.

This year, our precise definition is found again in S. 14, the line-item veto bill introduced by Senate Budget Committee Chairman PETE DOMENICI, word for word.

More significant, Republicans continued to think that this broad definition of "tax benefit" was a good idea, because they included it in the Contract

With America. In the best-selling version of the contract that you can find in bookstores today, right on top of page 33, our distinguished Speaker and majority leader explain that a targeted tax benefit is "a provision that provides special treatment to a particular taxpayer or limited class of taxpayers." That language is found here in our amendment, but not in the bill.

When the Republican Conference released the legislative language for the contract, the line-item veto bill again included language identical to the Slaughter-Barrett amendment—word for word. But when the bill was introduced, this broad definition was gone—replaced by the "five or fewer taxpayers" wording.

Our amendment also has the support of the Concord Coalition, certainly a leader in efforts to reduce the deficit. In a letter to me written yesterday, the coalition's executive director wrote:

Many tax provisions function as back-door entitlements and confer substantial economic benefits to upper income individuals and special interests. If Congress passes legislation that creates new tax entitlements or expands existing ones, the President should have the opportunity to veto them.

The CHAIRMAN pro tempore (Mr. HOBSON). The time of the gentlewoman from New York [Ms. SLAUGHTER] has expired.

(By unanimous consent, Ms. SLAUGHTER was allowed to proceed for 1 additional minute.)

Ms. SLAUGHTER. Mr. Chairman, the line-item veto aims to extract pork from legislation passed by Congress. This amendment recognizes that tax pork is every bit as insidious as spending pork.

So I urge my colleagues to practice some truth in advertising. When the reading clerk stood up on the House floor earlier to designate this bill, he said:

A bill to give the President item veto authority over appropriation acts and targeted tax benefits in revenue acts.

We do not want a half-truth right in the title of this bill. If our goal is truly to continue the progress we've made in cutting our budget deficit, then we must scrutinize both spending and taxes. If they are serious about cutting the pork, then both sides of the aisle will vote for this amendment.

Mr. BLUTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the distinguished gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank my distinguished colleague for yielding.

Mr. Chairman, I wanted to respond to my good friend, the gentlewoman from New York.

I was the original author of the Targeted Tax Relief Disclosure Act for the last five sessions of Congress. I reintroduced it yesterday. I have introduced that legislation in every session of Congress since I have been here, starting in 1987. In fact, Mr. Chairman, I introduced that legislation as a result of a series in the Philadelphia Inquirer about the 1986 tax reform act written by Bartlett and Steel.

That legislation had up to $30 billion of targeted rifle-shot tax provisions stuck in that bill. As a result of that, I introduced my legislation which I have again reintroduced in this session that does not eliminate rifle-shot provisions.

What it says is we must identify ourselves up front, who is going to benefit up front, how much the transition rule or tax break is going to cost the American people.

I find it somewhat ironic that we are debating this on the floor today, because the previous chairman of the Committee on Ways and Means stopped talking to me when I introduced the legislation. As a matter of fact, for the past four sessions I could not even get that amendment ruled in order on the House floor.

I went to the Committee on Rules on every tax bill that came before this body, and the chairman of the Committee on Rules on the majority side and the chairman of the Committee on Ways and Means would not let me offer my amendment, and here we are saying that our side does not want to go far enough.

Well, Mr. Chairman, I find that somewhat ironic, because I have been pushing this issue for the last 9 years.

Now, I am not satisfied. I think we should have a total prohibition in Ways and Means of giving these anonymous transition rules, not that sometimes they are not deserved, but a Member should identify himself or herself and be willing to make the case on this floor or in committee publicly when they want to give those breaks out.

So I think we ought to go further, but to say somehow we have a double standard is just not true.

Ms. SLAUGHTER. Mr. Chairman, will the gentleman yield?

Mr. BLUTE. Mr. Chairman, I yield to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. The gentleman from Pennsylvania [Mr. WELDON] is one of my dearest friends. I am sure he is absolutely accurate. The Committee on Rules probably did not accept his amendment but it has been voted for on the floor.

It may have been they gave Mr. Michel precedence over your request 2 years ago. It was Mr. Michel who made the amendment on the floor.

Mr. WELDON of Pennsylvania. If the gentleman will yield further, it was Mr. Michel. For the past five sessions it has been my bill called the Targeted Tax Relief Disclosure Act which has had bipartisan support which I have argued on every tax bill coming up before the Committee on Ways and Means and eventually on this floor that has been ruled out of order.

Mr. BARRETT of Wisconsin. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I feel betrayed. I feel betrayed standing before my colleagues in the House of Representatives, because last session I went out on a limb, and I did what I thought was right for the American people.

The language that we have before us today is the identical language that was presented to this House by the Republican floor leader last year, Mr. Michel.

I and a number of my Democratic colleagues bolted from our party to support this, because we thought, mistakenly it appears, that he was sincere and that the Republicans were sincere about having a line-item veto be a true weapon in the fight against our deficit.

Let me tell you what Mr. Michel said at that time about the exact same words we have before the House today. Mr. Michel said:

Quite frankly, if you are for special interests, then vote against my amendment. If you are for a more complex Tax Code, then vote against my amendment. If you believe the President should not be held hostage to special interests, then I say vote for my amendment today. It will make a better piece of legislation.

The cock crowed once.

But that is not the end of the story. During the campaign I spoke out against the Contract With America, but I made it clear that I was in favor of one component of the contract, the component that gave the President the line-item veto, and prior to the election, the Republicans put forth the Fiscal Responsibility Act, and they said that the House Republicans will introduce the following bill. The language in this bill is identical to the amendment we have before us today.

□ 1600

Mr. Chairman, the cock crowed a second time.

Following the election, I went out and bought this handy Contract With America. It is available in your local bookstore for $10.

I went into this book and again for the third time the Republicans said that they supported giving the President of the United States the authority to get rid of tax loopholes. They went further than that. They said, and I quote from the contract, "If we break this contract, throw us out." Ladies and gentlemen, they are going to break the contract today, because now is the time when we are going to make the decision as to whether or not the President can get rid of tax loopholes.

This is a do-or-die moment, and this is where the Republicans who unanimously last year said "Let's give the President the authority to do this" are going to back off on their word. When

they introduced this language last session, I thought "You know, they are actually sincere about this, they are actually sincere about giving the President the authority to get rid of loopholes." But now today we are going to get a chance to vote on it on the House floor, and I do not think they are going to vote for it today.

What is going on here? Why cannot the Republicans get rid of this power? If you were to draw a caricature of a Republican, you would think he was interested in tax loopholes for the rich.

I would argue, I will personally set up a loopholes anonymous club in this House of Representatives for those Members of the majority party who are willing to say "We are also against loopholes," because anybody in this House of Representatives who is serious about the deficit wants to get rid of two things. They want to get rid of pork-barrel spending, and they also want to get rid of tax loopholes for the rich.

So let us not draw this arbitrary number of 100 because if you are going to draw the number of 100 for the tax loopholes, then draw 100 for the tax appropriation. I do not think you should be drawing a number for either. I do not think appropriation bills or revenue bills in this House of Representatives should have either pork-barrel spending or a tax loophole for the rich or tax loopholes for special interests.

But to do that is going to take courage. I have talked to a lot of my new colleagues who are very gleeful because they are here, and they tell me that we are in the midst of a revolution, in the midst of a revolution that is going to change America.

What have we done in the first couple of weeks? We passed the Congressional Accountability Act. A very good bill. Of course, there is no personal liability to it. If someone violates it, the Government pays.

We passed the balanced budget amendment, which does not take effect for at least 7 years. This is the first bill that we have before us today that is going to affect the Members of this House of Representatives today or tomorrow or when this bill passes.

So what happens? The Republicans blink, they do not want to give up that precious power to slip special tax loopholes into revenue bills.

Again, I beg my Members, my fellow Members; last year probably 40 Democrats bolted across this aisle and said "Mr. Michel and the Republicans were right." We defied our party leadership and said let us do what is right for the American people. This is the first opportunity this session where I think the Members of the Republican side should say to their leadership "Leadership, you are wrong. We think it is wrong to be the party of loopholes."

The CHAIRMAN pro tempore (Mr. HOBSON). The time of the gentleman from Wisconsin [Mr. BARRETT] has expired.

(By unanimous consent, Mr. BARRETT of Wisconsin was allowed to proceed for 2 additional minutes.)

Mr. BARRETT of Wisconsin. Mr. Chairman, this is the first opportunity where I think the Members of the Republican Party should go to their leadership and say "Mr. Speaker, we do not want to be known as the party that cares only about special tax loopholes. We want to be the party that cares about middle America. Let's do the right thing. Let's give the President the authority to get rid of pork-barrel spending, and let's give the President the authority to get rid of the tax loopholes for the wealthy."

Mr. Chairman, we can do it today. We should do it today. I ask you to do it today.

Mr. WELDON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise because I have to respond to some of the comments I have heard on the floor. It is absolutely amazing to me; this is my ninth year in Congress. I was not planning on speaking on this bill, but to hear my colleagues on the other side saying they have been steadfast in their support to eliminate targeted tax breaks, that is mind-boggling to me, because in the 8 years that I have been here the minority party now was the majority party that controlled the Committee on Ways and Means and the Committee on Rules.

Mr. Chairman, every one of the sessions that I have been here I went before the Committee on Rules and went to the chairman of the Committee on Ways and Means, and I said, "Please accept my Targeted Tax Relief Disclosure Act," which does not eliminate them, but it says publicly identify yourself. I did that because the year before I came to this body the majority party passed the 1986 Tax Reform Act.

Mr. Chairman, the Philadelphia Enquirer, in analyzing that act in a five-part series, which I distributed to every Member of this body as well as the other body, identified up to $40 billion of rifleshot provisions stuck in that bill, primarily anonymously, by Members of the majority party, which I thought was ridiculous. There was a paragraph in the 1986 Tax Reform Act that went something like this: Any citizen residing in Tarrant County, TX, owing a tax liability of x amount and being born between such and such a year and such and such a year is hereby forgiven that tax liability. I thought that was outrageous.

There was also a provision in that bill that gave special tax treatment to an individual to finance two ships in Japan that are currently hauling Japanese cars to our American shores. As a matter of fact, I was ready to hold a press conference at the Port of Baltimore to identify this ship and say: "Who is the Member of Congress that stuck this special tax treatment in the bill?" Because the Committee on Ways and Means chairman would not let us have access to the records to tell us who put that provision in that bill.

Mr. Chairman, these things have been going on since I have been here for 9 years, and the current minority party did nothing—nothing—to take any one of those provisions out nor to support my effort in the Rules Committee or on the floor of this House, in the Ways and Means Committee, or when I testified before the bipartisan Commission to Reform the Congress, where I said, "Please accept my targeted tax relief disclosure."

By the way, Mr. Chairman, that provision was accepted by the bipartisan Commission which my friend and colleague was cochair of. But as it worked its way to the floor last fall, the Speaker and the leadership pulled that provision out.

Now, we hear that our party really does not care about targeted tax relief. I am not a member of the Committee on Ways and Means, I am not a tax lawyer, and I am not an expert on tax policies. I have been told the reason why they will not accept what was the Michel legislative language last year was because it was unworkable and, in fact, it could be a killer. Now, if it can be workable, I will accept it. I am not a tax lawyer. I will leave it up to the Ways and Means Committee staff and counsel. But to have our colleagues on the other side stand up and say somehow that the majority party does not care about this issue or that somehow we are for giving tax breaks to wealthy citizens and corporations is absolute hogwash—absolute hogwash.

Mr. BARRETT of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I am happy to yield to the gentleman from Wisconsin.

Mr. BARRETT of Wisconsin. Mr. Chairman, the gentleman could not have made the point better for me. He talks about what happened in the past. I did not vote with Mr. Rostenkowski in the past. A number of us did not vote with him because we disagreed with him. But that was yesterday, and yesterday is gone.

This is a new day in Congress, and now the gentleman is in the leadership, the gentleman is in the majority, and three times the Republican Party publicly stated that they were for getting rid of these tax loopholes. This is the do or die moment. Are you or are you not ready to get rid of your tax loopholes?

Mr. WELDON of Pennsylvania. Reclaiming my time, I will say to my colleague and my friend and distinguished gentleman, I am very happy that we have legislation in this particular piece of legislation which gives the President

authority that your party would not give him, despite the fact that he is of your party, which we are going to give him. I am happy we have something here. But I will pledge to the gentleman that I will work with him as long as counsel on the Ways and Means Committee says we can do it to bring this legislation or have it even broadened to eliminate all provisions that would give special tax breaks.

I will work as a Member who is not on the Ways and Means Committee to accomplish that. What I object to is Members of the other side all of a sudden seeing a spirit coming down from the skies that they have been pushing this issue for years. That is the absolute most disgusting thing I have heard on this House floor.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. WELDON] has expired.

(By unanimous consent, Mr. WELDON was allowed to proceed for 1 additional minute.)

Mrs. COLLINS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. I thank the gentleman for yielding.

Mr. Chairman, the thing I am so amazed about now is that the gentleman from Pennsylvania is so fired up when we have this amendment here, and I am hoping that his side of the aisle is going to vote for it and we are going to vote for it and the gentleman is finally going to get his wish after 9 long years. It seems to me the gentleman should be happy about that.

Mr. WELDON of Pennsylvania. I am happy that the gentlewoman has brought the issue up. What I am saying is in my opinion it is superficial. I saw no effort over the past 9 years to move this legislation. Now that we have taken the lead, the other side of the aisle wants to come in and try to make it look as though we are not going far enough. I promise to the gentlewoman that I will work with her to toughen up this particular provision.

Mr. KANJORSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I did not intend to engage in this debate either, but it is very interesting that my colleague from Pennsylvania says we are confessed sinners. We are confessed sinners. I agree with his proposition and would have supported it if it had been part of the bill in previous years.

□ 1610

We do know that one of the most disgraceful things in the Congress of the United States is these special loopholes for wealthy people and wealthy corporations in America. I say to my colleagues: "Here is the opportunity, if you trust the President, to carry out the stoppage of special loophole provisions. We can give him that authority."

Now let me suggest that we are about—and I know the majority side with the minority have been working on welfare reform—this is an issue of corporate welfare, of rich persons welfare. As my colleagues know, we can identify a lot of things in this country that the average citizen can learn to hate, but it is a type of corporate welfare with special tax provisions with the very wealthy corporations and individuals of this country that really cause a great portion of the deficit that we are all into the burden of today.

Now my colleagues know we can argue it started out in committee, and I happen to sit on the committee. We wanted to stop a tax loophole for five persons; how ridiculous, for five persons. We finally raised a little devil on that. Some of us wanted to make it without limitation because we really believe, and I fundamentally believe, that the Tax Code of America is only to be practiced if it is fair and equitable to all taxpayers of America equally. This idea that wealthy corporations or wealthy Americans can come and hire the Gucci lobbyists that the majority party campaigned against just last November, and they lined up at the Committee on Ways and Means, and they bring in their high-powered, multimillion-dollar lawyers, and they win these special phrases, these special clauses, or, as the gentleman from Pennsylvania [Mr. WELDON] indicated, the gentleman who is born in some particular county between the years such and such and such and such that only applies to one known living human being on Earth, and they forgive the tax responsibility of this Government, is insane, it is dishonest, it is intellectually dishonest, and it will bring down this Government.

Now, if we are serious, if we are serious about the line-item veto, we ought to stop earmarking for special provisions. We are going to vote for that. We ought to also, on the other side of the ledger, give the President of the United States the authority to strike out special tax provisions for very few people who are smart enough to work the inside Beltway of Washington, DC. Some of us have been here 10 years, and have fought against it for 10 years, and have lost.

If, in fact, this is a new Congress with a new breath of fresh air, and if they are going to live by their contract that they signed in September 1994, this is the true test.

I joined my friend on the committee, the gentleman from Wisconsin [Mr. BARRETT], when he said this is the real test of whether or not the majority party is going to do away with special provisions and special loopholes. This is the time when they are going to decide that corporate reform is as important to do away with corporate welfare as it is to do away with misuse and abuse in public welfare in this country, and it is unfair for us to strike up here and sound like we are suddenly reborn from sinners and that we become pure, but when it goes to the wealthy side of America, we refuse to stop the loopholes and the special taxation favors.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. KANJORSKI. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I was anxious, and I wish that the gentleman from Pennsylvania [Mr. WELDON] who started this discourse, would have stayed here because I wanted to commend the gentleman because he is accurate, and we are not without sin on this side. He is true; what he has said is true. In the past there have been examples in those tax bills where there have been special benefits for, like the gentleman from Pennsylvania said, the wealthy or special corporations, for special individuals, et cetera. That has been there. Many of us on this side of the aisle did not like that either. We think it is wrong.

And this is not the first time though that we, as Democrats, have attempted to do something about it. The gentleman from Pennsylvania is wrong. We have. We passed the bill, the line-item veto, with just a majority provision last year with a large amount of both Democrat and Republican support. It did no go anywhere in the Senate; like a lot of other things, got stopped by a little filibuster over there, or whatever. It got stopped by both Democrats and——

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. KANJORSKI] has expired.

(By unanimous consent, Mr. KANJORSKI was allowed to proceed for 3 additional minutes.)

Mr. VOLKMER. But in there there was a provision for the President having this basically same identical authority. That was a Democratic bill, but basically a bipartisan bill. But it was sponsored by, primarily, the gentleman from Texas [Mr. STENHOLM] and we passed that.

So, we have done things. I say to my colleagues, don't tell us we haven't done things. Some of us have been able to do that, and we feel just as strongly as some of your Members because some of us feel that that is not fair.

Mr. Chairman, as the gentleman says, it is not fair that certain people can use their money to get lobbyists down here to be able to get special treatment in the Tax Code, and therefore we need to stop it, and I agree with the gentleman, but we think right now that the language in this amendment does go better than the language in the bill. I say to my colleagues, the language that you have in the bill, if you got 101 or 105, you got to make sure you get 105 people there. Then the

President can't line-item it. I think that you need to look at that and saying only those are tax benefits.

Before I yield back, and I will get the gentleman from Pennsylvania [Mr. KANJORSKI] additional time, but I just want to make one other observation. I will go back a little further than the 1986 tax bill. I will go back to one in 1981, and, if my colleagues want to talk about some special benefits, I can tell them about some special benefits in 1981 to certain people.

There is a corporation known as General Electric. In the 1981 tax bill, which is known as a Reagan tax bill, General Electric, as a result of that tax bill, not only did not have to pay any taxes on all of their income in 1991 fiscal year, but guess what, folks? They were, because of special provisions in that bill for General Electric under the Reagan tax bill, were able to go back for 2 proceeding years and get all the money back that they had paid in.

And I say to my colleagues, "They got more back, folks, than you will earn in a lifetime—you will earn, not pay tax, but you will earn in a lifetime."

That was the Reagan tax bill.

Mr. KANJORSKI. Reclaiming my time, Mr. Chairman, so that this debate is very clear, in committee the markup started out with only five. It was the minority side of the committee that asked the question, "Why only five? Why should there be limits?" So apparently between markup and rules, Mr. Chairman, it was raised to a hundred.

I would like the majority to defend why we should allow protection for special tax loopholes for 101 and 102. What is the magic number there? Why?

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, line item veto is an idea whose time has arrived to give the President the right to cut out wasteful spending here in Congress.

Mr. Chairman, the grave concern for my colleagues on the other side of the aisle has been that we are giving the President too much power. The current proposed amendment seeks to give the President the veto for an entire middle class tax cut, if he so desires. The way the bill is currently drafted, the President can veto narrow, special tax benefits for favored friends of powerful Members of Congress, which is good. However the current amendment gives the President far too much power and expands the scope of the veto well beyond that which was intended by the line item veto. Well, H.R. 2 permits veto of special benefits for special friends. The current amendment would open the entire Tax Code to individual line item vetoes. This amendment is too powerful, too expansive and dangerous and should be defeated.

□ 1620

Mr. BLUTE. Mr. Chairman, will the gentleman yield?

Mr. FOX of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. BLUTE. Mr. Chairman, I appreciate what the gentlewoman from New York and my good friend the gentleman from Wisconsin are trying to do in support of their intent. Unfortunately, I don't believe the amendment fixes the problem H.R. 2 is trying to solve.

The language included in the contract version of the line item veto was intended to accomplish what H.R. 2 does now. The provision's purpose was to permit the President to item veto special tax breaks for special friends of powerful Members of Congress.

Unfortunately, the contract language was unartfully crafted. By stating a targeted tax benefit is one that applies to "a particular taxpayer or limited class of taxpayers," the contract language inadvertently opened the entire Tax Code to possible item veto much in fact, every single item in the IRS code must by its very nature apply to some "limited tax class of taxpayers."

Because the intent of the contract language was to permit the veto of rifle shots or special deals for special friends, our committee worked with the Committee on Ways and Means and the Joint Committee on Taxation to more precisely define the term "targeted tax benefit."

Following discussions in committee where members concluded that the language of H.R. 2 which limited the category to five or fewer taxpayers was too restrictive, we accepted a bipartisan amendment to change the definition to include 100 or fewer taxpayers, again seeking to get at rifle shots or special deals.

I can tell you the Committee on Ways and Means people are not happy, believing that we have once again broadened the category well beyond fixing the problem. Nevertheless, we support the language reported by our committee and included in the base text as sufficiently broad to fix the problem of special deals, while narrow enough to prevent the President from vetoing such general purpose provisions as the middle class tax cut or child care tax credit.

This is a responsible, well-crafted, middle-of-the-road approach which should be supported, and I urge Members to support the base tax and defeat this amendment.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to respond to my colleague that this would not apply to the middle-class income tax. It specifically states in the Contract With America, "Such term does not include any benefit provided to a class of taxpayers distinguished on the basis of general conditions such as income, number of dependents or marital status."

Mr. Chairman, I rise very strongly in support of the amendment offered by my distinguished colleagues from the great States of New York and Wisconsin. The line item veto bill addresses the deficit by giving the President the power to cut pork-barrel projects out of appropriations bills. It gives the President broad authority to line item veto any spending, regardless of the amount, from the entire spending to only one dollar of spending.

Yet the authors on the other side of the aisle of this legislation have left the job half done. It gives the President very narrow authority to line item veto tax provisions, only those which benefit 100 or fewer people.

Mr. Chairman, if we are going to be tough on spending, should we not likewise be tough on a tax giveaways? In the committee, and I was a member of the committee, in the original text of H.R. 2, we addressed the problem of targeted tax benefits only in the most limited way. It allowed the President to rescind these sweetheart tax deals, but defined them as provisions which benefited five or fewer people. The Democrats on the committee worked with some of the Republicans and managed to raise the limit to 100 in the markup. But the fundamental problem remains. The artificial numerical number can easily be fudged. Any smart lawyer will easily write tax loopholes to avoid the President's veto. It will simply benefit 101 or 102 people. Then the President will not be able to strike it out.

As we have heard, the Republican Party has long been the champion of a much broader definition, right up to the point that they gained the majority. Now we see a sudden switch. The Republicans' Contract With America, signed by practically every Member on the other side of the aisle, contained the very same language being offered in this amendment today.

Make no mistake, this is a critical vote. Many would view this amendment as the first step on the slippery slope of selling out to special interests. If you are for special interests, then vote against this amendment. I challenge my Republican colleagues to support the amendment and to keep the promises they have made to the American people.

Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. GUTIERREZ], who has worked on this issue.

Mr. GUTIERREZ. Mr. Chairman, I thank the gentlewoman for yielding, because I want to make one point very clear: This Democrat in the last Congress of the United States voted for the strongest line item veto that was proposed, including this provision. So do not try to argue as though no one on

this side of the aisle was supporting the strong kind of line item veto.

As a matter of fact, I suggest to the freshmen and the sophomore who I am in the same class, he defy your leadership. True, it was a little difficult in my cloakroom, but they still fed me, they still gave me water to drink, and, as you can see, I am still here.

So stand up for what you believe in and do the right thing and vote your conscience. You know what is right. Do it. Others have done it, and we are still here, alive and well, and, thank, God, healthy.

Mr. GOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to this debate very attentively. It has been very intense, and I think we have gotten most of the points out. It has motivated me to go back to the RECORD, however, and try to find out who said what when and what was expected and that was not, because I have great respect for the efforts of the gentlewoman from New York who has offered this amendment.

My problem with it is that it seemed very broad, and it seemed, in my view, a little bit unworkable in that it is overbroad. I have some feeling, as we have heard from some of the debate, that the question of over-broadness may very well be a judicial question someday with this legislation.

I went back to the amendment, and if I read the amendment correctly that has been offered, we talk about what the term targeted tax benefit actually means, trying to put a description on something that Mr. Michel himself did describe in his words before this body, and I will get to those words.

But when we get into the definition of the amendment, and I am reading from this, it says, "Such term does not include any benefit provided to a class of taxpayers distinguished on the basis of general demographic conditions." That is very broad, but it has been further qualified, "such as income, number of dependents, or marital status."

Well, that leaves a very serious ambiguity about other demographic questions such as gender, race, age, sexual preference. These are all points that I think now become an ambiguity. I know that the gentlewoman does not wish to give us an ambiguous piece of legislation.

I did go back and look into the exact language that Mr. Michel used on April 29, 1993, in the RECORD, and he said, using his words in paraphrase, "You will hear that it is uncertain what I mean by the term 'targeted tax benefits' by those who oppose this."

I think that is exactly what we have got here. Those who are basically opposed to trying to get at closing these loopholes are basically trying to put words in Mr. Michel's mouth here about what he meant.

If you read the RECORD, it is rather clear that Mr. Michel went through what I am calling special interest tax breaks, all the things we are trying to get at here.

When you get to the bottom of what he said, he said, "I will confer. I will sit down with the chairman of the Committee on Ways and Means," who was his good friend, who is unfortunately no longer here, as Mr. Michel is not, "and we will work out the details of this."

We did work out the details. We did it with slightly different people in different areas. We went through the Committee on Ways and Means, the Joint Tax Committee, and now the Committee on Government Reform, and we have done this in the Government in sunshine, openly, and come to a conclusion of what the best definition is that will work, that will withstand the judicial overview and any other test that can be made of it, and I think we have come up with a better solution than the gentlewoman from New York has.

□ 1630

Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I thank the gentleman from Florida for yielding to me.

I think one point that is glaring here is that throughout this debate on the line-item veto authority, the minority, during the general debate, during the debate on the amendments, made a strong case that they felt that this bill ceded too much power to the executive, that it tilted the balance of powers in a way that was not a good thing for our democracy.

And in this amendment, there is a reverse argument that we need to expand the President's power broadly, as this amendment would do.

This bill is attempting to narrow the scope of the President's power. We do not believe he should be all powerful, and we agree with the minority on that. But we do think he should have the power in this narrow sense.

So I would just say that there seems to be two different arguments coming from minority on this bill.

Mr. GOSS. Reclaiming my time, Mr. Chairman, I yield to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Chairman, the gentleman from Florida [Mr. GOSS] is certainly one of the most thoughtful Members of this House and a good friend of mine.

I should say to him that I did not do a lot of research on this. I took the words directly out of the Contract With America, I assumed that after Mr. Michel had done his consultation with Mr. Rostenkowski and come up with what is language is that what——

Mr. GOSS. Mr. Chairman, unfortunately, I did not hear everything.

Ms. SLAUGHTER. Mr. Chairman, my microphone was not on. As I heard the gentleman's remarks, that after Mr. Michel spoke on the floor on the amendment, he decided it was too broad and conferred with Mr. Rostenkowski to come up with what was determined to be the proper language, which is what we have now.

Mr. GOSS. Unfortunately, as the gentlewoman knows, that never transpired into final fruition. So what happened is, we have put it back into a process to complete the concern that Mr. Michel had about what does this really mean. And we have done that process of completing what it means.

Mr. GUTIERREZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased to rise in support of this essential amendment. We have heard a lot of rhetoric today about the importance of eliminating wasteful spending from our budget. And I agree with much of that rhetoric. Far too often taxpayers have been forced to carry the burden in this Nation for our inability to stand up for them and to say no to pet projects of lobbyists and pork barrel projects of special interest groups.

However, today supporters of this bill, despite all of the rhetoric about protecting the taxpayers and promoting fiscal responsibility, have engaged in a sneaky end run around the American people.

This bill does help the President go after pork, some pork. But this bill, without the amendment offered by the gentlewoman from New York [Ms. SLAUGHTER] and the gentleman from Wisconsin [Mr. BARRETT], also goes on record as saying, you know what, some pork is OK. We might be able to go on a little diet, but we are not kicking the habit completely.

Yes, wasteful spending is a problem that is diverting money from the real needs of America. But just as importantly, just as importantly, so are those targeted tax giveaways designed to give a break to your favorite lobbyist, powerful interest group or a privileged group of people. These free rides cost the Treasury just like wasteful spending does.

Every time we pass a tax credit, a refund or a break that benefits a particular group or special interest at the expense of America, we are creating more pork. Without the Slaughter-Barrett amendment, we are saying that with one swipe of the pen, the President can eliminate any spending, any spending he so chooses. What if the President decides he wants to eliminate tax benefits for foreign corporations or giveaways to foreign investors?

More importantly, what if the President decides that a capital gains tax cut that overwhelmingly benefits only the richest 5 percent of America deserves the swipe of his veto pen? What

if our President decides that we absolutely cannot afford to drain our Treasury of billions, yes, my colleagues, billions of dollars for a tax cut for the wealthiest Americans at a time when we are trying to save and cut every dollar that we possibly can?

What if our President decides he wants to side, for a change, with working men and women and say no to a tax giveaway, to a narrowly directed group of people?

Well, this bill says he cannot do it. You cannot do it, Mr. President, because we are not interested in that kind of pork. Your veto pen is dry if you want to use it to stop tax giveaways.

That, my colleagues, is a fatal flaw in this bill. But the remedy is simple. There is a cure. The remedy is this amendment.

If we are truly on the side of the American people and against wasteful spending today, then let us go all the way. Let us kick the habit. Let us not protect the special interests, the lobbyists, the favor seekers in these halls who want to leave here today with their tax breaks intact.

My colleagues, I did not know until today that this Contract With America could be amended. I knew there were a lot of amendments to the Constitution in this contract, but I did not know this could be amended. But today we have heard that is was unartfully crafted, not my words, the gentleman from Massachusetts stated that it was unartfully crafted.

Well, I am going to read it again with a good lawyer by my side.

Another gentleman on the other side said, well, we have finally come up, these are not my words, with the best definition to date. It is written, it is printed, but today we came up with the best definition. Maybe we will have to add an appendage for definitions to this so we can all know what it really means.

And lastly, it is certainly good to raise the flag of bipartisanship when it is on the balanced budget amendment, applaud for the bipartisanship; when it is on unfunded mandate, applaud for the bipartisanship; and when Democrats stand up to say, let us do the right thing together and it is good, but I am with you.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. GUTIERREZ] has expired.

(By unanimous consent, Mr. GUTIERREZ was allowed to proceed for 2 additional minutes.)

Mr. GUTIERREZ. I tell the gentleman from Massachusetts, he and I know each other. He knows I have been for a line-item veto. My record is clear. There are many of us on this side, the gentleman from Wisconsin [Mr. BARRETT], many of us. So do not chastise us. Do not ridicule us by saying that somehow we are hypocritical and Johnny-come-latelies on this when we have stood up and now that the gentleman is in the majority, it is bipartisan, too, when I am with him, just like it was bipartisan when other Members of my party joined the gentleman in the past 2 weeks.

Mr. BLUTE. Mr. Chairman, will the gentleman yield?

Mr. GUTIERREZ. I yield to the gentleman from Massachusetts.

Mr. BLUTE. Mr. Chairman, I have a great deal of respect for the gentleman from Illinois. I think his courage is pretty obvious to everyone in this Chamber. I would just simply point out that the amendment in the committee that set the limit of 100 was offered by Members of the minority party and adopted and voted for by Members of the majority party in a bipartisan way. So I agree it should not be a partisan issue.

And in the committee, the committee adopted a Democratic amendment.

Mr. GUTIERREZ. Reclaiming my time, Mr. Chairman, I would just simply suggest one thing. We all know what happens in the committee. We all know how Members get on these committees.

But here we are, in the Committee of the Whole. We can correct and rectify any problem. Because we know they make mistakes in that committee. They get too cozy with each other in that committee. They spend so many years together. It is get along, come along.

This is the Committee of the Whole right here. Let us do the right thing right here. The gentleman and I can do it. I ask the Republicans to join us. They are in the majority. Let us do what we have got to do and let us eliminate these tax breaks.

□ 1640

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Illinois [Mr. GUTIERREZ], my good friend, we have chatted many, many times. I also know he has had great courage in the past. I know by his own leadership he was chastised for coming out in support of what he really believed, and I respect the gentleman for that.

However, I would like to reiterate this is a Democratic amendment, the amendment of the gentleman from South Carolina [Mr. SPRATT], an amendment in the committee. I do not know what the gentleman meant about how we get appointed on those committees. I asked for my specific committees, and I am sure that my friend, the gentleman from Illinois, asked for his committee, as I did.

The only thing that I would say, we are being chastised for coming up with a line-item veto when the minority party had power for 40 years, and refused to come up with a line-item veto. It is like I wanted to buy a Ford all these years, and now I am buying Chevys and Fords and I am getting chastised for it. It is just not logical.

The line-item veto is very important, whether it is a Republican President or a Democratic President. The pork that we need to take a cut at is all the pork. I agree with the gentleman on that.

However, we are trying to do something in the contract that we feel is very, very important. That is to give the President of the United States what many of the Governors have. That is a line-item veto.

I think that this case of 100 play level, especially since it was adopted in the committee, I am quite serious, I have not looked at it. I am not even sure what it is. However, I also know if it was adopted in the committee, it must have had pretty good bipartisan support to make it. I will take a look at it seriously before we come up on it.

Mr. BARRETT of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Wisconsin.

Mr. BARRETT of Wisconsin. Mr. Chairman, I serve on the committee, so I am certainly familiar with what happened on the committee. This amendment that raised it from 5 to 100 was not the first amendment that was offered on this issue.

The first amendment offered on this issue was offered by the gentleman from South Carolina, Mr. SPRATT. That was defeated. It was a wider amendment than the one we have before us today. That was defeated with every Republican voting against it and one Democrat voting against it. The rest of the Democrats voted in favor of it.

Obviously at that point, Mr. Chairman, having failed to get the wider and the version closer to the Contract With America, there still was a belief, I think, at that time by both parties that 5 was just ridiculously low, and it went from 5 to 100. That was not controversial.

However, the major debate, Mr. Chairman, actually occurred around the amendment, the first amendment from the gentleman from South Carolina, Mr. SPRATT. I understand the gentleman from South Carolina will probably be introducing that amendment tomorrow, as well.

Mr. CUNNINGHAM. Reclaiming my time, Mr. Chairman, and I thank the gentleman for the clarification, but again, I would repeat, he has had the majority for 40 years and they have not come up with a single line item veto. We are trying to do that today, but yet they are still trying to chastise us, or maybe to look at it better, maybe they are trying to improve it. I compliment the gentleman for that.

However, it is very, very important that we get it. It is bipartisan. I ask for the support of the line item veto.

Mr. GUTIERREZ. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I am happy to yield to the gentleman from Illinois.

Mr. GUTIERREZ. Mr. Chairman, I thank the gentleman for yielding.

I just want to suggest that, No. 1, we are all friends on the committees. We are close to one another on the committees and we do a lot of work there.

Mr. CUNNINGHAM. Most of the time.

Mr. GUTIERREZ. Mr. Chairman, that is simply my point. I do not want anybody to make any other inference of that point, and I apologize if anyone took it any differently, No. 1. No. 2 is, the gentleman is lucky if he gets the complete assignments he wished.

I bought a book called "Adventures in Pork Land," sent it out to the 75 winners of the primary, of the general election in November 1992, sent it out to them. Really, they all got it. I said, "Read this book, because I think it is something good for us to get to when we organize as a freshman class in 1992."

How do I get on the Committee on Banking, Finance and Urban Affairs? Great committee, but I got there because there were four slots they could not fill. They could not deny me that committee slot.

Mr. CUNNINGHAM. Reclaiming my time, they begged us to take them, too, right after the S&L, and no one would take them.

Mr. GUTIERREZ. Mr. Chairman, if the gentleman will continue to yield, I have not quite gotten the committee assignments I have asked for, but I have been able to work well here with the gentleman from California [Mr. CUNNINGHAM] with my Democratic colleagues, and look forward to working with all of them.

However, I just suggest that there are some of us, a few of us, maybe, that were for the line-item veto, the strongest line-item veto. To simply suggest that now, with a stroke of the pen, that we were all against it, just is not quite fair to us and our position.

I thank the gentleman for yielding.

Mr. ORTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in strong support of the Slaughter-Barrett amendment. Since my first election in Congress, I have been a very strong proponent and supporter of giving the President enhanced rescission authority or a line-item veto. As a self-acknowledged deficit hawk, I believe we have to address all legislation, which includes a large number of special interest provisions, which can increase the deficit.

There are essentially three ways in which we spend money and increase the deficit. They are through direct spending of appropriations money, appropriated spending; they are through contract authority, spending on contract, not appropriated; and they are through special tax incentives, or called tax expenditures. I favor including all three of those in a line-item veto bill, and tomorrow I will be proposing an amendment to include contract authority as well as tax expenditures.

Mr. Chairman, it has been said many times on this side of the aisle, "I'm not a tax attorney and I don't know," or "I'm not a tax attorney and I can't tell you this." I am a tax attorney. I spent 12 years with the Internal Revenue Service, 11 years in private tax practice, and I can tell the Members that the wording of this amendment is no less enforceable or operational than the wording in H.R. 2.

I have very severe questions about and problems with the wording in H.R. 2. As currently defined, it would limit the provisions to those which benefit 100 or fewer beneficiaries.

Two main problems: First of all, it is not clear to me how in the real world the President or we in Congress specifically determine which specific provisions are in fact going to affect 100 or 101 or 99 specific individuals.

To outline this, I think that it is clear to me that this is far too narrow, being the second problem I have, to demonstrate. Let me just cite from the committee's report on H.R. 2, page 8, dealing with enhanced rescission authority.

To start from the committee report, it says "The special tax benefits Congress added," and they are talking about the 1992 Revenue Act, citing that as an example where Congress, in an attempt to do one thing, which was create enterprise zones, Congress added on many different tax benefits: "The special tax benefits Congress added covered such interests as special exemptions for certain rural mail carriers, special rules for Federal Express pilots, deductions for operators of licensed cotton warehouses, exemptions for some small firearms manufacturers, and exemptions for certain ferry operators."

That is from the majority's committee report. I would ask the Members of the majority, which of these provisions affect more than 100 and which affect fewer than 100? I would suggest to them that it is impossible under the language in H.R. 2, Mr. Chairman, to accomplish the very purpose and intent which the committee report suggests they are including this language to accomplish.

More importantly, Mr. Chairman, I think that we ought to take a look back at the line-item veto provisions we have already passed in the last session, and to suggest we had the control for 40 years and we have never passed a line-item veto, not true.

We passed a line-item veto bill in the last session of this House. We passed it with bipartisan support. In fact, the language that is proposed in this amendment is not only the identical language which Mr. Michel proposed, and which several of my friends sitting here in the floor and who have been here, the gentleman from Texas [Mr. ARMEY], the gentleman from New York [Mr. BOEHLERT], the gentleman from California [Mr. CUNNINGHAM], the gentleman from Texas [Mr. DELAY], the gentleman from Georgia [Mr. GINGRICH], the gentleman from Florida [Mr. GOSS], the gentleman from Ohio [Mr. HOBSON], the gentleman from New York [Mr. SOLOMON], all of whom voted in support of this specific language, not only in the Michel substitute back in April 1993, but also voted for this bill, which we passed with this language in the last session of Congress, now to suggest somehow that is unworkable language, that it is too broad, that it has language which we cannot put back into the bill, simply is something, I don't understand that argument. I am baffled by it.

Mr. JACOBS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentlewoman from New York earlier today raised the question about what made anybody think that the politician who ends up on the top of the heap in the White House acquires some rectitude or some goodness that is denied to the rest of the participants in the government.

I do not know the answer to that question, because I have served with seven Presidents and I have not seen one yet who underwent that miraculous transformation.

□ 1650

Give this some exercise: How about the term "presidential pork"? Let me give one example of that.

In the election year of 1992, we had a person in the White House with whom I served in this House and whom I like very much, but he was in a pretty tight spot. He went down to Florida and announced that an obsolete Air Force base would be rebuilt and reestablished. He did not need the line-item veto to do that. He went out to St. Louis and said an airplane that clearly was unneeded for our national defense would be put into production, anyway, if he were reelected. He did not need the line-item veto for that.

Our founders gave to the President one-sixth of the legislative power, and there were no PAC contributions to those Members of that Constitutional Convention. There was no distortion of their point of view. There was no need to contort their wisdom. They thought it through very carefully how much authority would be given to each branch of the government.

But if you are going to enact this surrender of authority in the Congress and you only do it halfway, you are making a sad, sad mistake.

I serve on the Committee on Ways and Means and a few years ago we had

99-059 O—97 Vol. 141 (Pt. 3) 18

an amendment. It was in the usual hieroglyphics of legislative language and hardly anybody knew what it meant. My mother always said, "Never sign anything you can't read or didn't read" so I voted against it.

The next morning, Washington Post headlines, "Ways and Means Committee Votes Multimillion-Dollar Gift to Certain Group." That certain group was the Gallo Wine Co.

On my way down to work the next day, I stopped by the supermarket and I bought a jug of that foul stuff—oh, it's wonderful stuff—I bought a jug of the Gallo wine and a sheaf of paper cups, and I went up to each member of the committee when they assembled, put the cup down, poured a little bit for each one that voted for it and each time I said, "Ernest and Julio said thank you."

Anybody who does not pay his fair tax is stealing from those who do. It is difficult for six people to carry a piano, but it is especially difficult if two of the biggest ones are riding on it.

I have just this advice: Those of you who have been told to go to the rear and march, let me tell you that when I entered Congress, I was told to go to the rear and march because I ran with Lyndon Johnson the first time I ran, and we all ran against the Vietnam war. We were going to get out of the Vietnam war. I kept my promise, the President reversed his position and somehow or another with all the PR they had, I was the traitor to my party and I was the traitor to my country.

Be a traitor to your party if you have to; be a traitor to your party to keep your promise to your constituents. You will sleep better tonight.

Mr. FATTAH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe that even though it may not appear it is the case, that this is indeed a defining moment for the new majority here in this House. The Contract With America is on the best sellers' list. People are reading it all across the land. The words, as inartful as they have been deemed to be, are fairly clear. That is, that it has been asserted and promised and contracted with that there would be a line-item veto that would allow the President of the United States the opportunity to correct the Tax Code and to do away with special provisions that allow the rich and powerful in this country to get away with not paying their fair share.

Now we have arrived at the moment of decision and we hear this notion about the problem with this language. David Brinkley, whom many of us watch on Sunday morning, once said, "I was told that campaigning time is promising time and after that is alibi time."

We have a majority who has read the contract every morning on the floor, at least some of their leadership carry it around in their vest pocket, and that they are determined under all circumstances to implement this contract.

However, when it comes to the point of addressing what is the most outrageous example of improper action by this House, that they are unwilling to step up to the plate and live up to their commitments.

When it comes to taking away a few dollars from a promising kid who is trying to go to college, they are all willing to stand up for that or to attack the few measly dollars that are provided to a single parent on welfare, or to go after affordable housing programs or to attack mass transit funding, they are all eager to march in a straight line towards that goal.

But now when in face of the multinational corporations and billionaires in our country who have somehow ripped off the American taxpayer by their lobbyists making room in the tax code to benefit them, they are unwilling to turn over to the President an opportunity to veto these types of unfortunate loopholes.

Let me just conclude by saying that what we have now is a loophole in the contract. Loose language that has now been added to H.R. 2 makes the entire commitment that has been made by the new majority to be called into question.

I would just suggest, not to the majority because I know they will not change their position, but to the American people, that they look very, very carefully at the votes on this amendment and that they understand that the contract that was promoted as a Contract With America really was a contract that the hands were shook on later on that night in a roomful of lobbyists who were fund raisers at a fund raiser that was a part of that campaign.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there have been a lot of pundits that have been talking already about what the 1994 November elections meant. And some people have been saying that they were an endorsement of the contract and some people have been saying that Democrats did not turn out to vote.

I think an interpretation of the 1994 elections were about what we have been doing for the last couple of days. They are about common sense and bipartisanship. They are about common sense: Many of us on both sides of this aisle working together to pass a balanced budget amendment, to prohibit unfunded mandates, to make Congress live under the same laws that it wants other people to live under. We have done that together in a bipartisan way.

Now we have got an amendment before this body that is asking some of your on the Republican side to work in a commonsense bipartisan way with us. We are asking you not to get away from your party and tell them they are wrong. We are telling you that this is language that you voted for, not on one previous occasion but on two previous occasions. Not just to get at pork-barrel spending but to get at special tax breaks when we are going to take provisions and try to balance the budget.

Let me remind some of my colleagues about some of these specific votes. Mr. Michel offered an amendment on April 28, 1993. It passed 257 to 157. Eighty-seven Democrats, 87 of us voted with you to pass that amendment by Mr. Michel. I think every single one of you on this floor probably voted in favor of it.

On July 14, 1994, there was another bill, the Stenholm-Penny-Kasich bill that passed 298 to 121. One hundred twenty-eight Democrats again voted with the Republicans to pass that. Again, many of you Republicans voted for that provision.

I would hope that you see it in your interests to abide by what those elections were about: Common sense and bipartisanship.

The American people get incensed when they hear 6 words: Pork-barrel spending, and we are going to take care of pork-barrel spending with this line-item veto. But they get equally incensed when they hear special tax breaks.

□ 1700

Now we have the opportunity to do something about that, and we have acted in a bipartisan way to do something about that in the past. Let us work together as we have been working together for the last 3 weeks and pass this bipartisan, commonsense amendment.

Mr. ABERCROMBIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I spoke at a previous time on this question of the line-item veto. I think those of my colleagues who know me here in the Congress, and certainly those who have known me over my legislative career, know that while I may hold strong opinions I do not believe I have ever lectured any other Member of a legislative body in which I served on whether my ideas were superior or my views were superior. But I want to say, and I feel I must say at this juncture with respect to the line-item veto that as a legislator I find it unconscionable.

The entire history of freedom and the march of freedom and democracy has been the commons against the king. We can go back to the time of the Magna Carta and the establishment of the idea of the common people being able to exert their will against the king. Or go back to the loss of what freedoms were defined as freedoms

throughout antiquity to the time of the Roman Empire when the Roman Senate ceded its power to the Emperor, after the assassination of Caesar and the ascension of Octavian and Augusta, and even he wanted to give it back to the Senate and back to the people. Oh no, it was turned over to the king, and that is what this is about.

No matter who is the Executive in our contemporary world, it is the legislative against the executive power. If we turn over our responsibilities to the executive, we are undermining the basis of freedom

Nothing so ill becomes any legislative body as to turn over its authority and its obligations and its duties to the executive. The executive has submitted budgets, whether it is under Republicans or Democrats, and this Congress, Republican and Democrat and Independent, has always come in with a budget under that which has been presented.

It is not a question, then, of whether or not we are going to exercise self-discipline. If we do not our constituents can remove us. But we are setting up a situation in which the executive will play one legislator off against another.

We are setting up a situation in which the small States will have to compete against the large States. We are setting up a situation in which we are saying we as legislators are incapable of acting other than in a political fashion, but if we turn over this authority to the executive, the executive somehow will act in an objective, analytical fashion and not in a political fashion.

My friends, I cannot emphasize enough that we are about to embark on something which to me violates the most fundamental tenet which I hold as an elected official. There is only one thing worse in politics than being wrong, and that is being right.

History and sometimes people forgive us being wrong, but we are very seldom forgiven for being right. And I am telling Members today, if we give the line-item veto to this or any other President, we are undermining democracy, we are taking everything that we hold dear in terms of freedom and turning it upside down and saying to the world and everyone in it, all of our voters, we do not believe in democracy, we do not believe in the legislative process, we do not believe in the legacy that has been handed down to us by literally the death of millions in order to provide for us the opportunity to legislate.

If we have any argument about what we do, we have given in our Constitution the power of the President to veto entire pieces of legislation and we must come up with two-thirds of our voting Members in order to overturn that veto. That is incredible power that the President has. And now we want to say that on any given item, in any given piece of legislation where there is an appropriations implication, that the President is to be able to line-item veto that.

This is not a State. We failed earlier to differentiate between capital budgets and operating budgets. I know how scoring goes in my Committee on Armed Services, how we include housing for our military to be included as an item of expenditures in the first year no matter how many years that housing is occupied. I can give example after example where this kind of line-item veto will undermine democracy in the particular and in general.

I pray that we will not be in the situation in which we find ourselves having to say oh, if we had only done the right thing. The right thing to do is to be against the line-item veto and to stand up for freedom and democracy.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York [Ms. SLAUGHTER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BARRETT of Wisconsin. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 231, not voting 7, as follows:

[Roll No. 86]

AYES—196

Abercrombie	Durbin	Klink
Ackerman	Edwards	Klug
Allard	Engel	LaFalce
Andrews	Eshoo	Lantos
Baesler	Farr	Laughlin
Barcia	Fattah	Lewis (GA)
Barrett (WI)	Fazio	Lincoln
Bellenson	Fields (LA)	Lipinski
Bentsen	Filner	Lofgren
Berman	Flake	Lowey
Bevill	Foglietta	Luther
Bishop	Foley	Maloney
Bonior	Ford	Markey
Borski	Frank (MA)	Martinez
Brewster	Frost	Mascara
Browder	Furse	Matsui
Brown (CA)	Gejdenson	McCarthy
Brown (FL)	Gephardt	McDermott
Brown (OH)	Geren	McHale
Bryant (TX)	Gibbons	McKinney
Bunn	Gonzalez	McNulty
Chapman	Gordon	Meehan
Clay	Green	Meek
Clayton	Gunderson	Menendez
Clement	Gutierrez	Mfume
Clyburn	Hall (OH)	Miller (CA)
Coburn	Hamilton	Mineta
Coleman	Hastings (FL)	Minge
Collins (IL)	Hayes	Mink
Collins (MI)	Hefner	Mollohan
Condit	Hilliard	Montgomery
Conyers	Hinchey	Moran
Costello	Holden	Murtha
Coyne	Hoyer	Nadler
Cramer	Jackson-Lee	Neal
Danner	Jacobs	Oberstar
de la Garza	Jefferson	Obey
Deal	Johnson (SD)	Olver
DeFazio	Johnson, E. B.	Orton
DeLauro	Johnston	Owens
Dellums	Kanjorski	Pallone
Deutsch	Kaptur	Pastor
Dicks	Kennedy (MA)	Payne (NJ)
Dingell	Kennedy (RI)	Pelosi
Doggett	Kennelly	Peterson (FL)
Dooley	Kildee	Peterson (MN)
Doyle	Kleczka	Pickett
Pomeroy	Skaggs	Tucker
Rahall	Skelton	Upton
Rangel	Slaughter	Velazquez
Reed	Stark	Vento
Reynolds	Stenholm	Visclosky
Richardson	Stokes	Volkmer
Rivers	Studds	Ward
Roemer	Stupak	Waters
Rose	Tanner	Watt (NC)
Roybal-Allard	Tauzin	Whitfield
Rush	Taylor (MS)	Williams
Sabo	Tejeda	Wilson
Sanders	Thompson	Wise
Sawyer	Thornton	Woolsey
Schroeder	Thurman	Wyden
Schumer	Torres	Wynn
Scott	Torricelli	Yates
Serrano	Towns	
Sisisky	Traficant	

NOES—231

Archer	Franks (NJ)	Miller (FL)
Armey	Frelinghuysen	Molinari
Bachus	Frisa	Moorhead
Baker (CA)	Funderburk	Morella
Baker (LA)	Gallegly	Myers
Baldacci	Ganske	Myrick
Ballenger	Gekas	Nethercutt
Barr	Gilchrest	Neumann
Barrett (NE)	Gillmor	Ney
Bartlett	Gilman	Norwood
Barton	Goodlatte	Nussle
Bass	Goodling	Ortiz
Bateman	Goss	Oxley
Bereuter	Graham	Packard
Bilbray	Greenwood	Parker
Bilirakis	Gutknecht	Paxon
Bliley	Hall (TX)	Payne (VA)
Blute	Hancock	Petri
Boehlert	Hansen	Pombo
Boehner	Hastert	Porter
Bonilla	Hastings (WA)	Portman
Bono	Hayworth	Poshard
Boucher	Hefley	Pryce
Brownback	Heineman	Quillen
Bryant (TN)	Herger	Quinn
Bunning	Hilleary	Radanovich
Burr	Hobson	Ramstad
Burton	Hoekstra	Regula
Buyer	Hoke	Riggs
Callahan	Horn	Roberts
Calvert	Hostettler	Rogers
Camp	Houghton	Rohrabacher
Canady	Hunter	Ros-Lehtinen
Cardin	Hutchinson	Roth
Castle	Hyde	Roukema
Chabot	Inglis	Royce
Chambliss	Istook	Salmon
Chenoweth	Johnson (CT)	Sanford
Christensen	Johnson, Sam	Saxton
Chrysler	Jones	Scarborough
Clinger	Kasich	Schaefer
Coble	Kelly	Schiff
Combest	Kim	Seastrand
Cooley	King	Sensenbrenner
Cox	Kingston	Shadegg
Crane	Knollenberg	Shaw
Crapo	Kolbe	Shays
Cremeans	LaHood	Shuster
Cubin	Largent	Skeen
Cunningham	Latham	Smith (MI)
Davis	LaTourette	Smith (NJ)
DeLay	Lazio	Smith (TX)
Diaz-Balart	Leach	Smith (WA)
Dickey	Levin	Solomon
Doolittle	Lewis (CA)	Souder
Dornan	Lewis (KY)	Spence
Dreier	Lightfoot	Spratt
Duncan	Linder	Stearns
Dunn	Livingston	Stockman
Ehlers	LoBiondo	Stump
Ehrlich	Longley	Talent
Emerson	Lucas	Tate
English	Manzullo	Taylor (NC)
Ensign	Martini	Thomas
Evans	McCollum	Thornberry
Everett	McCrery	Tiahrt
Ewing	McDade	Torkildsen
Fawell	McHugh	Vucanovich
Fields (TX)	McInnis	Waldholtz
Flanagan	McIntosh	Walker
Forbes	McKeon	Walsh
Fowler	Metcalf	Wamp
Fox	Meyers	Watts (OK)
Franks (CT)	Mica	Weldon (FL)

Weldon (PA)	Wicker	Young (FL)
Weller	Wolf	Zeliff
White	Young (AK)	Zimmer

NOT VOTING—7

Becerra	Harman	Waxman
Collins (GA)	Manton	
Dixon	Moakley	

□ 1722

The Clerk announced the following pair:

On this vote:

Mr. Manton for, with Mr. Collins of Georgia against.

Mr. LARGENT changed his vote from "aye" to "no."

Messrs. HEFNER, PASTOR, and KENNEDY of Massachusetts changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. HARMAN. Mr. Speaker, during rollcall vote No. 86 on H.R. 2 I was unavoidably detained. Had I been present I would have voted "aye."

PARLIAMENTARY INQUIRY

Mr. WISE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WISE. Mr. Chairman, since the previous question which was just voted down was an item in the contract, does this constitute a breach of the contract?

The CHAIRMAN. The Chair would state that is not a parliamentary inquiry.

AMENDMENT OFFERED BY MRS. THURMAN

Mrs. THURMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. THURMAN: Section 5(d)(2) is amended by striking the eighth and ninth sentences and inserting the following: No amendment to the bill is in order, except any Member may move to strike the disapproval of any rescission or rescissions of budget authority or any proposed repeal of a targeted tax benefit, as applicable, if supported by 49 other Members. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion.

Mrs. THURMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. RIGGS). Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Mrs. THURMAN. Mr. Chairman, so everyone will know, this amendment is nearly identical to my amendment No. 7, but at the request of legislative counsel the words "disapproval of" have been inserted prior to the words "any rescission" to clarify the amendment.

Mr. Chairman, I would like to take this opportunity to thank the many Members in this body who have helped along the way to see this amendment to the floor today. I know the gentleman from New Jersey [Mr. ZIMMER] and the gentlewoman from New York [Mrs. LOWEY] are involved with this. I would like to make a few comments about it.

Mr. Chairman, as I have listened, proponents of this legislation have claimed that this legislation grants the President line item authority that 43 of our Governors enjoy. The fact is, only 10 Governors have the kind of broad powers outlined in H.R. 2. My amendment to the Line Item Veto Act seeks to prevent the possible misuse of authority.

The amendment will give the Members of this body the opportunity to carefully consider a President's proposed rescissions and then, supported by 50 Members, vote to remove individual rescissions from a disapproval resolution. As H.R. 2 is currently drafted, there is no mechanism in place for Members to strike individual rescissions from a disapproval resolution. The resolution is only subject to an up or down vote.

It is important that my amendment be adopted. If a President has a package of numerous cuts that are indeed wasteful spending, but decides, for political reasons, to veto an item important to a number of Members, then it is conceivable that the entire disapproval resolution could be approved because of that one important project the President decided to veto, thus leaving items that everyone agrees are wasteful intact.

Members should be given the opportunity to make their case to the entire House as to why individual rescissions should be saved and, in the process, ensure that those wasteful items are indeed canceled.

Under this amendment, the process for striking individual rescissions is as follows: If a Member can convince 49 other colleagues to join in objecting to an individual item in a disapproval resolution, then those Members will be able to debate why an individual line item should be saved. The entire House would still have to vote on that individual rescission and then vote on the whole disapproval bill.

A similar provision was included in the Stenholm-Penny-Kasich substitute to the expedited rescissions bill we considered last July. In addition, the procedure is based on existing provisions in the Impoundment Control Act, wherein, if a requisite number of Members stood to be counted, a motion to strike a rescission would be debatable for 5 minutes.

I believe that my amendment also preserves one of the key concepts of this legislation—accountability. Any Member who wishes to save an item the President has vetoed will have to make a strong argument to preserve the rescission and then convince a majority of the House to agree. Members would have to go on the record and defend saving the proposed rescission and thus be accountable to their constituents.

□ 1730

In addition, I would say to Members that by adding this provision we can maintain our constitutional duty as a part of the legislative branch for appropriating and raising money while still allowing the President the tool to veto appropriations. We can also protect ourselves from the actions of a President who might use the tool to exact retribution against a Member who did not act in a manner that the President desired.

I would urge my colleagues to adopt this amendment and give an even greater degree of accountability to this legislation, and I would also just like to take this time, Mr. Chairman, to also thank the gentleman from Pennsylvania [Mr. CLINGER] for his leadership, and commitment and support to this amendment, and I appreciate it.

Mr. ZIMMER. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Florida [Mrs. THURMAN].

Mr. Chairman, I want to commend the gentlewoman from Florida [Mrs. THURMAN] for proposing this amendment. I am delighted to have played a part in its formulation.

The basic purpose of this amendment is to give Congress an additional opportunity to cut a particular item of pork that may have found its way into an appropriation bill. The President, under current law, is forced, when he is confronted with an omnibus appropriation bill, to sign the bill or to veto the bill in its entirety. He has no choice but to take it or leave it as a whole. This is the choice that the Congress would be faced with under the legislation before us without this amendment.

When we are faced with an omnibus disapproval bill, which would restore spending as provided by H.R. 2, we want to make sure that there is no pork stowed away in the omnibus bill that does not bear the scrutiny of an up-or-down vote on its own merits. This amendment would simply allow 50 Members to force a vote on that particular spending program so that we are not stuck with a take it or leave it, all or nothing situation, as the President is today.

I believe that the result of this will be an enhanced opportunity to get rid of pork-barrel items which find their way into legislation all too frequently.

This is a pro-taxpayer, anti-pork vote, and I urge my colleagues to support this amendment.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the last word,

and I rise in support of the amendment offered by the gentlewoman from Florida [Mrs. THURMAN].

Mr. Chairman, proponents of H.R. 2 argue that current veto authority forces a President to take all or none of the spending in an appropriations bill. To deal with specific spending to which he objects, we are told the President needs more flexible powers such as the line-item veto would give him.

For those same reasons, I believe we should all support the gentlewoman's amendment. Without this amendment, Congress will be forced to accept all or none of the rescissions the President proposes for a particular appropriations bill.

H.R. 2 requires the President to submit one special message containing his rescissions for each of the appropriations bills Congress passes. Members of Congress can only introduce a resolution to disapprove all of the rescissions in each special message submitted by the President. Why should Congress have to reject all of a President's rescissions just because it may disagree with a few of them?

The gentlewoman's amendment would give Members some of the flexibility this bill would give the President.

Under current law, Congress has the flexibility to package rescissions in any way it chooses. Over the last 20 years, Congress has used this authority to enact rescission packages that have reduced Federal spending by more than $92 billion. During this same period, all Presidents, Republicans and Democrats, have proposed rescissions that total only $72 billion, that is $20 billion less than Congress has approved.

If flexible powers are considered important to deficit reduction, I think we want Congress, which has the better track record on rescissions, to have the same kind of flexible powers this bill would give the President.

I urge my colleagues to support the gentlewoman's amendment.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words in support of the amendment offered by the gentlewoman from Florida [Mrs. THURMAN].

Mr. Chairman, as my colleagues well know, the legislation before us permits the President to send back to the Congress a package of rescissions which will go into effect if we do not pass legislation to reinstate them, but, under H.R. 2, when the rescissions are sent to us, we have one choice and one choice only, take it or leave it. For a number of reasons I think that is ill advised, and this amendment is designed to enable us to look at each proposed rescission item individually and act on its merits.

First, the stated purpose of this legislation is to rid spending bills of unnecessary and wasteful items. That is a goal we all share. But under H.R. 2, with its all-or-nothing approach, it is conceivable that the Congress would find ourselves in the position of voting to reject a rescission package because it includes one or a few items that was strongly felt are important to maintain. In doing so we would have no choice but to protect projects that a majority of us might agree with the President should be cut. The end result: more spending, not less spending.

Let me give my colleagues an example:

The President might decide that we have appropriated funds that he thinks unnecessary for the State revolving loan fund which helps finance sewer treatment plants' upgrades, but a majority might disagree with his judgment. That would be in the VA-HUD appropriations bill. That same bill might include another item that the President feels is pork, and a majority of this House might agree on that. Under the committee bill, without this amendment to save those sewerage treatment funds, we would have to also save that project which we otherwise would be willing to kill. That does not help reduce the deficit.

Second, all of us know that this legislation does directly impact the balance of powers between the three branches of our Government that was carefully developed by the Founding Fathers. In doing so I think we have a responsibility to consider how far we want to go in shifting the balance, and in this instance I firmly believe that this legislation, as currently drafted, goes too far. In effect the bill, in giving the President the power to pick and choose among individual items in appropriations and revenue measures, has denied the Congress the final authority to do the same thing.

Third, advocates of the line-item veto have said time and time again that they are only attempting to give the President of the United States the same line-item veto authority which Governors of various States enjoy. If indeed our goal is to narrow the authority of the various governors, then we should duplicate at the Federal level the authority that most of them in their legislature have.

In my home State of New York, for example, and dozens of others where Governors have line-item veto authority, the legislatures have retained the power to selectively approve or reject from among the line items. Let me share with my colleagues a list of States where the line-item veto protects the role of legislators to examine these items:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Idaho, Illinois, Iowa, Kansas, Louisiana, Maryland, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, South Dakota, Tennessee, Texas, Utah, Virginia, and Wisconsin.

In only four, Michigan, Mississippi, Montana, and Pennsylvania, do legislatures face the all-or-nothing situation that this legislation would impose on us, and in the case of Wisconsin, Mr. Chairman, the State constitution would allow item by item consideration, but the legislature has decided in its own rules to respond to line items en bloc. With regard to the balance of the States, our review of constitutional provisions shows that at least in their constitutions their legislators are not restricted to the all-or-nothing option.

□ 1740

Mr. Chairman, I offer this amendment with the gentlewoman from Florida in an effort to improve on this legislation, not to destroy it. When it comes to altering the balance of power under which our Government has functioned for over 200 years, caution should be our guiding principle.

Mr. Chairman, I urge the adoption of this amendment. Ideally I would have preferred that this amendment not include the 50 Member threshold before an item can be voted on separately, but I am pleased to join the gentlewoman from Florida in this compromise. It is an important and valuable step in the right direction, and I urge support of this amendment.

Mr. KLECZKA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I read H.R. 2, I discovered two serious flaws or two problems that I personally had with it. One was addressed in the previous amendment, and that is limiting the corporations or the individuals who are getting a tax break to only 100. I think that is not advisable public policy. However, the floor has spoken and that did not get adopted, or the deletion did not get adopted.

When I first saw the section indicating that we could not pull out various line item vetoed items and vote on them separately, I thought that was a very serious mistake. So when the gentlewoman introduced her amendment, I called and said I would like to support it and would come to the floor and speak in favor of it. However, in speaking to the chairman of the committee, he indicated he did not like that approach and would be supporting the amendment of the gentlewoman from Florida [Mrs. THURMAN].

I think the compromise gets at the problem, although I think the better way would be to eliminate the necessity for 49 or 50 Members. However, since that is not going to be the will of the House, I think at least by having the 50 Member requirement when there are items in 1 veto message, and let's say there are 10 items, and there is one which I think almost everybody in the House would agree to, we could have the ability to pull that one out, knowing full well we do not need 10 votes because the other 9 will not survive.

The gentlewoman from New York indicated that Wisconsin had a policy on this. As a former State legislator in Wisconsin, that is exactly how we did it. When the Governor sent back line item vetoed items in the budget bill, we would select the ones, with the minority, which would necessitate a vote. The bulk of them were voted en bloc, and the sufficient two-third was not garnered.

So that is the correct procedure, it is one which worked there, it is one which would work here, but that is not going to be the way it is going to go. So let us try the 50 Members signing to request a separate vote and see if that provision works.

Mr. CLINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do so to commend the gentlewoman for her amendment. There have been points made here today that we were going to be ceding too much power to the President, and that we should in some way limit that. I think what this amendment does is make the case that were the President is deemed to have done an egregious thing in the exercise of the line-item veto, something that was punitive or an improper use, shall we say, of the line-item veto, and that was apparent to 50 or more Members, that that would rise to the level where we should be able to pull that back and say no, he has gone too far.

Our concern with the gentlewoman from New York's amendment is allowing one Member to do that it seemed to us was going to open up perhaps a Pandora's box, where a lot of Members would have various things they would like to see pulled out of that, and we have a cherry picking.

I really think where we are talking about the kind of egregious thing the President might engage in, the gentlewoman's amendment allowing 50 Members to indicate that is strong, and I am pleased to accept the gentlewoman's amendment.

Mrs. LOWEY. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, I thank the gentleman for accepting the amendment. I would have been willing to live with the responsibility to take a vote on each of the amendments, but since it is very obvious it would not have been accepted, I am very happy to support this amendment.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I think there is one further point: We worked very hard to try in the committee process to work out a formula that would expedite the procedure to allow any Member to get something to the floor that was of great concern to them. We were concerned at first that this might not fit into the procedures that we worked out. This actually could improve it. I think it is untested. We shall see. But I am very happy from our perspective, from a legislative process point of view, to accept the amendment as well.

Mr. ABERCROMBIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose this amendment in the strongest possible terms.

I do not know how many are going to listen, I do not know how many heard before about the line-item veto. But how can you say you are for the line item veto to turn over the authority, the explicit, direct authority and obligation that we have in swearing to uphold and defend the Constitution, defend our prerogatives and obligations as a legislative body, a line-item veto, you say, and then when the President comes back with all of those line items taken out which you have just voted to give to him, say, "But what if we don't like it? What if there are some items we don't want?"

So this is a fewer items bill you are about to pass if you have this in, not a line item. Fewer items. You want to pass a legislative line-item veto bill.

One of the Members from the other side, who I believe is chairing it for the Republican Party, says, "What if the President does something egregious? Then it comes back to us, and we get to pick 50 Members to go against everybody else and get the rest of us to go along with me on this."

If you think deals have been cut in the Committee on Appropriations, I now see the Committee on Appropriations as the enemy of us all.

Please, I have been in a legislative body too long. I understand how politics works. I am proud to be a part of that tradition. I am not going to quiver and be some craven cur down there, saying, "Well, if the President sends us back something that we volunteered on this floor to give him, then if we find some items, we can get 49 other people to stand up with us, we will take it back."

How can you have the gall to stand up and parade yourselves in front of the American people, talking about, "We do not have the discipline to do anything for ourselves, we are going to have the President do it for us; however, if there are some items that are taken out that we want and we can get 49 of our buddies to go along with us, then we are going to see if we can't get the other 218 that we need to go along, and we will be able to get ours"?

I warned that the small States were going to be at risk here. You know that the big States and the big-power, special interests you talk about, private interests—I do not care whether you are talking about the space station, I do not care whether you are talking about a particular item, a dam or a river, whatever it is you want to deal with the public works—this is going to open the whole thing back up again.

The hypocrisy of this whole line item veto is made manifest by this amendment.

I am waiting to see whether this is voted through or not, because if it is, let the record state here clearly that this means we have a legislative line item veto bill in which the deal-making and the logrolling will be something like you have never witnessed in the 200-plus years of this Republic.

This is going to be the granddaddy, the mother of all pork-barrel bills, when this comes out if you folks pass this, and it is going to be on the record.

And in honor of this final decline and fall of the Constitution of the United States and the House of Representatives in particular, Mr. Chairman, I ask unanimous consent to be able to enter into the RECORD the disquisition made in the Senate in 1993 by the Honorable ROBERT BYRD on the line-item veto.

Mr. GOSS. Mr. Chairman, reserving the right to object, is it parliamentary correct to enter into the RECORD a document?

The CHAIRMAN pro tempore (Mr. RIGGS). That request cannot be made in the Committee of the Whole.

Mr. GOSS. Mr. Chairman, I withdraw my reservation of objection.

Mr. ABERCROMBIE. Mr. Chairman, I will do that at the proper time.

I commend them to you, in conclusion, before you engage on this reckless course for which you will have to answer, read the record as entered by Senator BYRD in 1993. I am sure his office will be happy to present you with some copies. I will be happy to do the same.

We can go over the entire history of the line-item veto as practiced in other times, directly attributable to the decline and fall not just of this Nation, which is what this will be, the decline and fall of this body as a honorable body engaged in legislative practice that it should be engaged in.

□ 1750

Let us stand up for the Constitution that we swore to uphold and defend. Do not pass this amendment and bring shame on ourselves at the very time when we say we are already willing to give up what we should be hanging onto, clinging to with dear legislative life.

This amendment bespeaks the disquietude that is in this body with respect to the line-item veto. It shows that we do not really mean it. If this amendment passes, this is not a line-item veto bill. It is a legislative line-item veto bill, and we will rue the day we passed it.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope my colleagues heard the remarks of the gentleman from Hawaii, because he is talking good sense. I do not intend to elaborate on what it was that he said about this amendment. But, rather, I want to remind my colleagues about who we are, why we are here and what we are.

I would never support a line-item veto for a Republican President. But I would never support a line-item veto for a Democratic President either.

We have been engaged in a headlong rush over the last 3 weeks or so now to pass the contract on America. This is a remarkable device, because essentially it says a lot of things. It says that when we passed legislation to clean up the environment or deal with the problems of the health of our people or to take care of the young or the unfortunate or the poor, we really did not mean it. And where we mandated the States to do something, we really did not mean that either because, after all, now they are complaining. We only give the States $750 billion a year, and the local units of government get a large part of that. And were we to take that back, we could balance the budget very comfortably.

But I want to talk a little bit of history to my colleagues, because history is important.

As George Santayana observed, "He who does not learn from history is doomed to repeat it." That means if you do not listen to what happened in the past and you do not learn from it, you are going to make the same mistakes. And you are probably going to pay the same price.

My old Daddy used to tell me, Son, there are two kinds of people: there are those who learn from experience and those who learn from the experience of others.

It started at one point in history back around about 1500, when the British parliament and the British people were involved in an intense controversy with the king who said that he ruled by divine right, not by the gift of the people. And that began a battle which culminated with the works of Oliver Cromwell, the great commentator, the man who pulled down the British monarchy. Why? Over the budget. Over the purse, over the power of the people to have control of their budget and their moneys. That is why.

And just a few years later, about 200 years later, a little more, the United States was formed, the colonies. Why? For exactly the same reason, over taxation without representation. We can spend our careers here denigrating and criticizing this institution, and I would say those who do this deserve to be denigrated, because this is a great institution. I would urge my colleagues to stand up, not only for what they believe right, but to stand up for the constitution, for the powers of the people.

I do not believe any President ought to have the line-item veto power. I think that what it constitutes is a wonderful power that he can use to swing every one of us by the ear or the nose. And he can cut deals that are as every bit or more corrupt than those which my colleagues complain about.

This is a public body. It is a public institution. We try to do our business in the public with openness, with respect for our constituents. Are bad things done here? Of course, this is a human institution. As my colleagues may remember from history, the good Lord got one bad apostle out of 12. But by and large the Members here are keenly aware of their duties and their responsibilities.

Now, I know my new colleagues came in here running against the institution. Well, perhaps after they have served here for a while, particularly the Members on the majority side of the aisle, they will recognize that there is something more at stake here than they might like to admit at this time, the Constitution. We take an oath at the beginning of every session to support and defend the Constitution of United States.

The Constitution was founded on a couple of very important principles, one man, one vote, and that the power of the purse resides in the people.

We carry that delegated responsibility. This body has over the years I have served here been so sensitive that in the old days they would not let the Senate start a piece of legislation which would appropriate money.

It is important that we know why this power is here. It is important why we know we must defend it. There is a constant tension between the executive and the legislative. A weak legislative encourages the encroachment of the executive.

Again, I do not care whether it is a Republican or Democrat in the White House. It is not in the interest of the country, nor is it in the interest of this legislative body to afford the line-item veto power to the President of United States. Let him consider the legislation we send him. Let him veto it.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DINGELL] has expired.

(On request of Mrs. COLLINS of Illinois, and by unanimous consent, Mr. DINGELL was allowed to proceed for 2 additional minutes.)

Mr. DINGELL. Mr. Chairman, if it is in the public interest that we should have the power of the purse, we should also have the responsibility for it. And we should bear both. If we come to a decision that something is a good project and the President does not like it, let him veto it. Let him send a veto message up here and let us deal with it as the Founding Fathers intended.

This question of the line-item veto is like a lot of other things, a matter which was discussed in the convention in Philadelphia. They looked to see how the purse should be managed and by whom, and they came to the conclusion that it, first of all, should be in the Congress and, second of all, that the primary power for that should be in the House of Representatives.

Again, I have heard a lot of Members talk about how corrupt this institution is. There seems to be a great deal of that sort coming from the majority side of the aisle. That is not a majority view in the country, and it should not be a majority view in the country. And it should not be a majority view here.

If there is something wrong, let us clean it up. But let us not throw away the constitutional powers of United States, the Congress of United States, the people of United States. Let us not give them to a President or anybody else unless we are convinced that that is the proper carrying out of our constitutional responsibilities. I assure you, it is not.

The Constitution is to be protected by all of us. We take an oath on that point. And we should understand that the protection of the power of the purse and the protection of the prerogatives of the House of Representatives are an essential and important part of that oath.

I would urge my colleagues to reject the amendment, and I would urge my colleagues to reject also this outrageous piece of legislation which does nothing other than to denigrate the House, the Congress, and to confer power upon the President of United States, which was the subject of a long struggle between the people and the sovereign and a part of a long struggle on the part of the people of United States.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DINGELL] has again expired.

(On request of Mrs. COLLINS of Illinois, and by unanimous consent, Mr. DINGELL was allowed to proceed for 4 additional minutes.)

Mr. DINGELL. This was not a struggle which was won easily. In England it cost the head of one king and the throne of another. And it caused a revolution which caused thousands of British subjects to die. It caused a war between the United States and Great Britain, a war which we all revere, which is an essential part of our history, which reminds us of how Americans died at Valley Forge and elsewhere.

□ 1800

Why? Because they wanted independence, because they wanted self-government, because they wanted representative government, and because they wanted the ability to control their own destiny and their own purse. Members can criticize the way we spend the money, but remember, we are all answerable to the people. Every 2 years we go home and we talk to them about the budget.

Mr. Chairman, I have heard my colleagues on the Republican side of the aisle talk about the budget and how irresponsible Congress is. Again, as George Santayana says, "He who does not learn from history is doomed to repeat it."

Let me remind Members that during the 12 years of Republican Presidency, between 1980 and the commencement of President Clinton's administration, the Congress of the United States cut President Reagan's budget every year except one. Every year except one, the President's budget was cut up here.

The complaint that we heard from Mr. Reagan and then from Mr. Bush was an interesting complaint. They complained that we were taking money from defense and educating kids. They complained that we were taking money from defense and other boondoggles.

Mr. Chairman, they complained that we were taking money from some things like foreign aid and military expenditures and putting it into health, or the needs of senior citizens, or research into health, or into protecting the environment, or into doing things that were going to make this country better.

Mr. Chairman, I would tell my colleagues, when I go to Europe and talk to the Europeans, or when they come here to me, they say:

We do not understand you in the Congress, and we do not understand your country. When we spend money to educate a child or to build a college or university, or to build a road, or to improve the country, or to build some kind of a navigation project or something of that kind, or when we spend money on research for health or for the betterment of people, or to take care of our senior citizens, or to enable our country to better compete, we regard that as an investment.

In this country, according to what I have been hearing here lately, this is pork. This is subject to a line-item veto. It is criticized.

Well, it is not. We are really the conservators of the well-being of this country. It is our responsibility to see to it that we invest in the future. We are not just spending the treasure that belongs to the youngsters who are going to come. We are making investments on their behalf in their education, in the infrastructure of their country. We are building them roads and highways. We are doing other things that are making this a better and richer place in which they will live.

Mr. Chairman, I would ask my colleagues here to recognize both the constitutional responsibility of Members of this institution, but also to understand what it is that we are doing here, and to try and look at it in a little more expansive way. Do not look at the small end of the telescope, look through the end that is going to reveal to you what the future is, and what our goals and our purposes are.

The saddest thing about this first 30 days of this Congress has been the small-mindedness and the small vision that I have seen on the part of my colleagues, reluctance to do the things that are necessary to make this a better country, to build, to take care of our young, to make a better environment, and to do other things, and a concentration on minute matters of small importance. Reject the amendment and reject the bill.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Florida [Mrs. THURMAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKELTON: At the end of section 2, insert the following:

(d) EXCEPTION.—The President may not include in a special message any rescission of more than $50,000,000 of discretionary budget authority for any program, project, or activity within the major functional category for national defense (050).

Mr. SKELTON. Mr. Chairman, I ask unanimous consent to momentarily withdraw the amendment, subject to its being offered in a few moments.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

Mr. TAUZIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, while we have a break in the offering of amendments, I wanted to rise in support of the idea, first of all, and the bill providing for a line-item veto for the President of the United States to reduce the deficits that are produced by the Congress of the United States now and into the future.

Mr. Chairman, my good friend, the gentleman from Michigan [Mr. DINGELL], and I have a disagreement on this point, as Members can readily understand from the speech he just gave and what I am about to say. I deeply respect him and the incredible service he has rendered this country in all the years that he has served in this Congress and led the Committee on Energy and Commerce, on which I serve.

Our disagreement stems from the fact that while I believe, too, that there have been mighty struggles between sovereigns and those with whom they have contested over the years over the issues of who, indeed, has the power to make the laws and the mandates that affect the common welfare, but I believe that a revolution was fought in this country over a very simple proposition called taxation without representation.

If there is a form of taxation without representation that is insidious in this land today, it is the kind of taxation without representation that we now permit for the future generations of children who will be born in this country.

When we decide to spend their money and therefore raise their taxes in the future, for whatever purposes we deem important, because we do not have the money to spend ourselves in our time, we are taxing them and they are not represented in this Chamber today, except among those who are willing to speak for the unborn yet. That taxation without representation is indeed institutionalized in the concept of a deficit.

Every time this body, every time a President signs a budget, signs appropriation bills, rather, that appropriate more money than we have to spend each year, we are in fact taxing future generations who are not represented in this body today, and who deserve better treatment than to be born into this country with a huge debt on their shoulders for taxes that we have imposed upon them without their consent and without their representation.

What does a line-item veto have to do with that concept? The line-item veto as it is employed in all of the States where it is employed, and my State is one which has a line-item veto, is used to enforce the principle of a balanced budget. The line-item veto is exercised by Governors across this land to strike from the budget appropriations that exceed the revenue of that particular State.

States like mine with a requirement to balance the budget and a line-item veto have a pretty good enforcement mechanism in place, because the legislature is admonished if the legislature dares to appropriate more money than the people have presented to it that year for expenditures, then the legislature is subject to having the Governor of that State strike from that budget whatsoever he or she may choose to strike in order to bring that deficit down and balance the budget.

The line-item veto becomes an enforcing mechanism to enforce the balanced budget. In short, if the legislature of Louisiana and the legislature of the some 43 States which have a line-item veto authority, if they are smart enough and wise enough and prudent and responsible enough not to tax future generations without representation, not to create a deficit in their accounts each year, not to build the mountains of debt we have built here in America through this congressional appropriation process, then the Governor of that State does not line item anything.

□ 1810

The legislature protects itself against the line-item veto by balancing its budget each year. And if ever this Congress in the history of our country needed something to enforce the will power of this body to keep its books in balance, it is now and the line-item veto is just that tool.

If the line-item veto is passed in this Congress and the President of the United States, be he Democrat or Republican, has the capacity to line item out of the budget expenditures we create in deficit accounts, we are going to be much more careful about not sending him a deficit budget. We are going to do our level best to balance that budget. We are going to do our best to reach the goal of the balance budget amendment we just passed, Mr. STENHOLM, and sent over to the Senate that will require us to reach a balanced budget by the year 2002.

A little later on in this debate, I hope to offer an amendment to even perfect this theory a little further.

The CHAIRMAN pro tempore (Mr. RIGGS). The time of the gentleman from Louisiana [Mr. TAUZIN] has expired.

(By unanimous consent, Mr. TAUZIN was allowed to proceed for 3 additional minutes.)

Mr. TAUZIN. You and I know something that the American public knows and that has been admitted in the balanced budget debate and admitted by Presidents who have served us now and have preceded us. That is, if we tried today to produce a balanced budget in this fiscal year, it would be practically impossible to do because we have committed ourselves to so much entitlement funding.

Without massive changes in the way we fund entitlements in America, we cannot deliver a balanced budget to the President this year. That makes passing a line-item veto difficult, because it means for the years we cannot balanced the budget, the President is going to enjoy that extraordinary authority.

I am going to suggest a change in the bill that is before us. I am going to suggest a change called the glide path amendment a little later on. The glide path amendment says that if we are smart enough, wise enough, and responsible to stay on the glide path that the CBO predicts we need to stay on to reach the balanced budget by the year 2002, the line-item veto authority would be limited to expenditures in excess of those numbers so that we can legitimately stay within the numbers that take us to a balanced budget by the year 2002 and not give the President this extraordinary authority because we cannot balance the budget this year.

It would mean that the authority we give the President in line-item authority would be used to enforce the will power of this body to stay on schedule, to balance the budget as we have agreed to do in the balanced budget amendment, and to give the President the authority to strike any item that we appropriate in excess of those numbers until we reach the year 2002.

When we have reached that touchdown goal of 2002 and we have balanced the budget, therefore we would be under an obligation to keep the budget in balanced or else the executive would have the authority, as he has in every 50 States, to strike out any appropriation in excess of that balanced budget.

I believe that change will be very important. I would ask you to think about it now. I will be offering it later on to make this thing work in the interim, while we are trying to get the balanced budget working and in fact to enforce our will power to make it work in the year 2002.

Mr. GENE GREEN of Texas. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. I thank the gentleman for yielding.

I say to the gentleman, "I am supporting the line-item veto just like you because in Louisiana you have that authority just like we do in Texas. Although I also recognize to transfer this authority from the legislative to the executive branch, which is what we are doing, it is because of the budget that we are doing that.

But I am almost sure in having read some of the Louisiana papers over the years and your current governor, oftentimes, the line-item veto is used not only to balance the budget but also to get the attention of those of us who serve in the legislative body and I am sure Governor Edwards just like Governor Briscoe and Governor Clements and White and all the rest of them in Texas have used it over the years to get the attention of us, that is a possibility.

The CHAIRMAN pro tempore. The time of the gentleman from Louisiana [Mr. TAUZIN] has again expired.

(By unanimous consent, Mr. TAUZIN was allowed to proceed for 2 additional minutes.)

Mr. TAUZIN. Mr. Chairman, I continue to yield to my friend, the gentleman from Texas.

Mr. GENE GREEN of Texas. I thank the gentleman from Louisiana.

It is used oftentimes by the executive either to punish or to get the attention of the members of the legislative branch. But in the meantime, they are also using it to try to get spending within check.

Mr. TAUZIN. Reclaiming my time, I am not sure what the balanced budget of Texas requires nor what the line-item veto allows, but let me tell you what it does in Louisiana, as I think it does in this bill. The authority to the executive is only to strike out measures that end up reducing the deficit. If there is no deficit, then the governor does not have the line-item veto authority. He cannot use it to punish or get anybody's attention. The only thing he can use it for is to get the budget back in balance. So if the legislature does not want to get punished, does not want to get yanked by the ears, the legislature sends him a balanced budget each year. We badly need that kind of will power here.

Mr. GENE GREEN of Texas. I agree that would probably even be a compromise on this bill, because in Texas we do not have that. When the Governor vetoes the line items, whatever they do, that money, even if it is below the projected revenue, that money just stays in the treasury.

Mr. TAUZIN. Again reclaiming my time, my understanding is the bill we have before us gives the President the authority to line-item any item to reduce a deficit which, if my reading is correct, that means in effect if we send him a balanced budget, he would not have the authority to line-item anything. It is the same kind of procedure we have in Louisiana.

So to the arguments of those who are concerned that this bill would give the President some authority to punish Members, to extort a vote from them on occasion, to yank them by the ears or the nose or whatever it might be to do his will, let me assure you, if you adopt the amendment I am going to suggest, and if we stay within the contours of the path that takes us to a balanced budget, the glide path that gets us there by the year 2002, the President would not have that authority, and the legislature would be protected from that abuse.

AMENDMENT OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKELTON: At the end of section 2, insert the following:

(d) EXCEPTION.—The President may not include in a special message any rescission of more than 50,000,000 of discretionary budget authority for any program, project, or activity within the major functional category for national defense (050).

Mr. SKELTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SKELTON. Mr. Chairman, I offer an amendment at this point which would state that the President may not include in a special message any rescission of more than $50 million of discretionary budget authority for any program, project, or activity within the major functional category for national defense.

I also wish to thank the following gentlemen: The gentleman from Pennsylvania [Mr. WELDON], the gentleman from Texas [Mr. EDWARDS], the gentleman from California [Mr. DORNAN], the gentleman from Texas [Mr. LAUGHLIN], and the gentleman from Arizona [Mr. STUMP] for asking to be cosponsors of this amendment.

A special thanks to my friend and colleague from Texas, that very bright, able young Texas, CHET EDWARDS, for his excellent work on this amendment.

This deals with national defense, I speak for the young men and young women in uniform, so that what comes down from this legislature reflecting our constitutional duty may not be undone by someone who might in years or decades ahead sit in the White House and be against the military.

Along that line, however, let me digress for a moment and compliment the President for an announcement he made just a few moments ago. He told our Nation that he is naming the aircraft carrier CVN–75, the U.S.S. *Harry Truman*, and the aircraft carrier CVN–76, the U.S.S. *Ronald Reagan*.

I compliment him on those choices for the famous Missourian who stood so tall and so well as our President and the recent President, Ronald Reagan, who was a patriot and strong for national defense.

Back to the amendment. This amendment, Mr. Chairman, reflects what we ought to think about when it comes to legislation and our own powers.

This legislation reflects the purpose and the spirit of our Constitution. If you go into the Committee on National Security room, you will see in front of the podium a copy of the words from article I, section 8 of our Constitution that gives us, the Congress, not only the authority but the duty to raise and maintain the military and to establish rules therefor.

□ 1820

It is our responsibility. This amendment keeps that responsibility here and does not allow the buck to be passed somewhere else.

There are those who might say what about those special projects, those research projects that some might put into a defense bill? That is taken care of, and the gentleman from Texas [Mr. EDWARDS] came through with this idea that we incorporate that anything under $50 million may be subject to the same veto message that anything else may be subject to in this legislation.

Nothing is more important than the national defense of our Nation. Securing our borders, the vital interests of our country, nothing is better than that. I speak for the young men and young women, I speak for this Congress, because it is our constitutional duty to raise and maintain them. I intend for us to let the buck stop here, where it should.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I gladly yield to my friend, the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman from Missouri for his amendment. I notice he has adjusted it up to $50 million, so anything under $50 million, where we would get special projects, things of that nature, can be struck out by the President if he thinks that it is not necessary, or unnecessary.

But if we had a major thing, for example, let us say the Congress decided that we needed to have another aircraft carrier which is, say, a $3.5 billion matter, you have worked it out so you could put the money in the budget to do that. The President would not be then in a position to veto that because it is Congress, the gentleman is absolutely right, under the Constitution that has the ultimate responsibility.

The CHAIRMAN pro tempore (Mr. RIGGS). The time of the gentleman from Missouri [Mr. SKELTON] has expired.

(At the request of Mr. DICKS and by unanimous consent, Mr. SKELTON was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, it is the Congress that ultimately has the responsibility for the common defense. So I think the gentleman has a good amendment. The buck should stop here on this issue. It will get rid of any kind of special interest problems but protect Congress' prerogatives to maintain the common defense, and I want to commend the gentleman who has been one of the most thoughtful experts on defense policy in the House.

Mr. SKELTON. I thank the gentleman very much.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to my friend and colleague, the gentleman from California.

Mr. DELLUMS. Mr. Chairman, by the gentleman's amendment he would exempt all items above $50 million in the defense category of the overall budget, is that correct?

Mr. SKELTON. Absolutely, absolutely.

Mr. DELLUMS. I am one that opposes the line-item veto, but it is clear to me that the line-item veto is going to pass, and seems to me if it is going to pass this is a question I would like to ask, then: By this amendment if the President of the United States sought to knock out what he perceived or in some event she perceived as cold war relics, like the B–2 bomber, would the President not have the ability to strike antiquated weapons systems that exceeded the $50 million?

Mr. SKELTON. If the gentleman would listen to my response, the President would not be able to strike, under this legislation, anything in excess of $50 million, which would of course include the category of which the gentleman speaks, the very important B–2 stealth bomber.

Mr. DELLUMS. If the gentleman would further yield, then based upon that explanation, this gentleman would be constrained to oppose the amendment because it would seem to me if we are going to do this thing, then the President of the United States ought to have all items before him or her, and it would seem to me in that context if we are going to make any exclusion in the military budget, that is counterproductive if it does not allow the President to strike a weapons system.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. SKELTON] has again expired.

(By unanimous consent, Mr. SKELTON was allowed to proceed for 2 additional minutes.)

Mr. SKELTON. Mr. Chairman, I yield to the gentleman from California.

Mr. DELLUMS. As I was saying, this gentleman would be constrained to oppose the amendment, Mr. Chairman, because if we are going to have this thing, I oppose it, but if we are going to have it, then give the President the total prerogative. By establishing this limitation, why not do it in other areas?

Mr. SKELTON. If I may reclaim my time, which is limited, there is nothing more important than national defense. That is the purpose of a Federal Government. That is why we are all here. Everything else is in addition thereto.

Further, if carries out the spirit of the Constitution, the buck stops with us here in Congress article I, section 8.

Further, the President still has the right to veto an entire bill. He can still do that and come back and cause us to pass the entire bill.

We are losing nothing by passing this. We are keeping the prerogatives of the U.S. Congress.

I think it should be passed. I would hope it would be passed unanimously. But I appreciate the gentleman's comments.

Mr. DELLUMS. I thank the gentleman. Would the gentleman yield briefly to me?

Mr. SKELTON. I yield to the gentleman from California.

Mr. DELLUMS. I am simply saying I oppose the overall bill for the very constitutional principles the gentleman articulates, and if we are going to do it, give the President the full prerogatives. If you are going to dive off the bridge, give the President the full capacity to flap his wings.

I thank the gentleman.

Mr. DORNAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of IKE SKELTON's amendment and I agree with him that the distinguished gentleman from Texas, Mr. CHET EDWARDS, played a key, instrumental role in this amendment. I went with these two gentlemen to the Normandy 50-year commemoration, and many times

during those days, from the Cambridge Cemetery for all our K.I.A. air crews from the terrible air war over Hitler's Nazi Germany, to Omaha Beach, to Utah Beach, many times we discussed among ourselves, Democrats and Republicans, exactly what the gentleman from Missouri [Mr. SKELTON] just said, that the principle purpose of our Government, beyond anything else, is to defend our homeland.

To be precise, let's analyze that beautiful Preamble to our Constitution, which I carry with me, that Preamble says: We the people of the United States, in order to, 1, form a more perfect union; 2, establish justice; 3, ensure domestic tranquility, do we ever fail on that one; and 4, provide for the common defense, defense is a priority after "forming a more perfect union," which is ongoing and never ending. It does come after justice. We need justice in our land, we need domestic tranquility, but providing for the common defense is something our Governors do not have to worry about.

Let me give some of my own personal history on this and why I was the last Republican to sign the Contract With America. I was hung up over line-item veto. I have been against it for most of my 16 years and one month here.

Mickey Edwards of Oklahoma and I had a long colloquy on the floor that a President in the White House, whether a flaky Republican or a flaky Democrat, who knows nothing about providing for the common defense could strike out, yes, the whole B–1, the DDG–51 Arleigh Burke destroyers, the V–22, the B–2, or the F–22 fighter. He or she could kill every modernization program, I said I cannot be for that. I am for it for every Governor in the Union. And I slowly evolved to accepting what on principle, like the gentleman from California [Mr. DELLUMS], I was against, because we are facing financial catastrophe and bankruptcy by the turn of the century.

But then this idea comes forward from my distinguished colleagues from Texas and from Missouri, and I said, yes, this is the answer, a slightly amended line-item veto that protects the Preamble to the Constitution, to provide for the common defense.

Look, Mr. Chairman, I get the honor today of announcing something exciting. CVN–76 will be named the *U.S.S. Ronald Reagan*. And I am expecting a call from the Secretary of the Navy. Some Democrats, every California Republican, 104 of us sent a letter 2 weeks ago to Navy Secretary Dalton, and he has accepted today the name Ronald Reagan, Sec. Dalton is striking the name *U.S.S. United States* for CVN–75, which will be christened in September of next year, 1996, to name it the *U.S.S. Harry S Truman*. And I rather like that. My dad was Harry Dornan, Battery D Commander, Captain, World War I. How can that be when Harry Truman was Battery D Commander, World War I? Simply two different divisions. *U.S.S. Harry Truman* next year, and in 2000 A.D. Ronald Reagan. I have just had the pleasure of telling the Reagan Library that news.

These are important things that we fund in defense. To have the world's largest moving objects, the Nimitz class carriers, named after Presidents is fitting and proper.

□ 1830

We have a *George Washington*. We have an *Abraham Lincoln*. I just went out and shot five landings and five catapults off the U.S.S. *Eisenhower*, the first man-of-war with women on board, we have the U.S.S. *Teddy Roosevelt*, one of my favorites. This naming of ships is important.

I do not want a Republican or Democrat to take a pen and say no CVN–76, U.S.S. *Ronald Reagan*, no CVN–75, *Harry Truman*, scrap it, do something else with the money which is what they did with the Northrop Flying Wing, the B–49, just line-itemed it out, and Congress did not fight back.

Defense is our responsibility. We have to protect defense. This is a dangerous world with a million poisonous snakes out there, although we are happy to look at a dead evil empire Soviet dragon. I say we protect defense, and for that, I am for the line-item veto with this amendment for all of our future Republican, Democrat, or Prohibition Party Presidents.

Mr. GENE GREEN of Texas. I move to strike the requisite number of words. Mr. Chairman, I rise to oppose the amendment simply because, and I support the bill, by this amendment we are setting apart defense spending, and I understand my colleague from California and my colleague from Texas and from Missouri, their concern about defense spending.

We have a mechanism in this bill to protect from an irrational response or an action by whatever President, and, I say to the gentleman from California [Mr. DORNAN], I hoped we would also see a carrier named the Lyndon B. Johnson since I am from Texas too, someday, I support that also.

But to set aside this measure and not let it go through the procedure that this bill creates for it to come back to Congress for us to vote, and I think we would not have any trouble getting a majority vote in the House or a two-thirds vote, depending on what amendments we actually adopt to reauthorize that, and say, "Mr. President, no matter who you are, we want this program." By this amendment, we are saying, "Mr. President, you cannot cut the large programs. We have a deficit problem. You cannot cut $50 million or above. We can let you pick around the edges, but we have a $4 trillion deficit, and we are not going to talk about major programs.

I think it would be irrational for us to do that, even for national defense.

Let me talk about what we are saying to the American people by doing this. The national defense is our No. 1 reason for a government. But we are also here to provide for that domestic tranquility, and obviously we are not doing it. But if we set aside and cut nutrition programs that are over $50 million for children, for school lunches, we cut nutrition programs for senior citizens, then we are not providing for that domestic tranquility any more than we are providing for the national defense.

Let me remind this House that the reason we have nutrition programs for our schools is because of national defense. Harry Truman in 1946 said that our service personnel were not up to standard, and we needed to provide that as a national defense issue.

I think this amendment is wrong. We are setting it separate. It is so important we do not send that message to our people.

Senior citizen programs are just as important, chapter 1 funding for Federal funding for education is just as important, and it is much more than $50 million. If we are going to start exempting out defense, and I agree that we need to have those programs from this, then we need to also exempt out education funding, senior citizens' food programs, elementary school programs. I just think this is the wrong method, because if a President does wrong, we can change it by this bill, and we should not start picking out certain issues or we will come with amendments up here today and do the same thing we did on the unfunded mandates and say let us exempt certain programs.

This amendment was not considered in committee, never even discussed, and we had a full day of not only markup but also a full day of hearings, and this never came up.

So I urge a "no" vote.

Mr. KLECZKA. Mr. Chairman, will the gentleman yield?

Mr. GENE GREEN of Texas. I yield to the gentleman from Wisconsin.

Mr. KLECZKA. Let me echo the sentiments of my colleague who has just spoken.

If we are going to start the exclusion game, we are going to be on this bill longer than the unfunded mandates game. I say to you right now, and I told you earlier in the debate, I support H.R. 2 as drafted.

We did amend the bill with the Thurman amendment, which I thought was a step in the right direction. If you adopt this amendment and take one major portion of the budget, 20-some percent of the budget, off the table for the most part, do not let the President get near that and not do the same for education, health care for young and old alike, medical research, I think what we are doing here, Mr. Chairman, we are purporting a sham on the American people.

And I would like to tell my colleagues there will be a rollcall on this, so if any of you are going to shout loud and run to the Cloakroom, "It ain't going to happen."

But note, if you will, the precedent we are setting with this amendment, if adopted, is terrible, terrible, and if you are serious about passing this line-item veto legislation, do not start by putting nonsense like this into the product.

I plead with my colleagues not to do so.

Ms. FURSE. Mr. Chairman, will the gentleman yield?

Mr. GENE GREEN of Texas. I yield to the gentlewoman from Oregon.

Ms. FURSE. Mr. Chairman, I want to say that this amendment truly sends the wrong message to the American public. It says there are certain things that are sacred cows, and we cannot preserve sacred cows and be serious about line item veto.

If any program is exempt, then all programs are exempt, and we are not putting forward true line-item veto legislation.

So I would oppose this amendment.

Mr. GENE GREEN of Texas. Mr. Chairman, I urge a "no" vote on the amendment.

Mr. CLINGER. Mr. Chairman, I move to strike the requisite number of words. I do so to oppose this amendment.

I reluctantly oppose the amendment. I know there are many Members on this side of the aisle and certain Members on the other side of the aisle who feel this is an area that should be exempt, sacrosanct, should be protected from what we are providing for the President with the line-item veto. But I submit, Mr. Chairman, this amendment really flies in the face of the purpose of what we are trying to accomplish in H.R. 2, and would, in fact, restrict the President's rescission authority even more greatly than does current law. It would go beyond what we can do under existing law, and I think the amendment should be defeated.

I think the gentleman's amendment would single out for special treatment defense appropriations of more than $50 million, and I would say to the gentleman and to the Members there are many programs, nondefense-related programs, that rise to the level of pork or could rise to the level of pork which would be exempted from even being considered for a line-item rescission under this bill.

For example, we have active forces transition enhancement, disaster relief, $70 million, disaster relief efforts $50 million, Philadelphia Naval Shipyard economic conversion, one that would be very dear to my heart, but some might consider that pork, $50 million. There are a lot of programs here that would be put off the reservation, not permitted to be touched or even considered for exemption or for line-item veto.

The other point is we have already in this debate over the last day or two exempted or considered whether to expand the judiciary, and there were very strong and powerful arguments made why the judiciary should be protected, the separation of powers and so forth. We rejected that argument and said that nobody, no program rose to the level where it should be exempted from consideration.

What it really says is that we are willing to trust the President to use his good judgment as the President elected by all the people to make determinations with regard to every other program that we deal with except defense.

I recognize that defense is certainly the No. 1 consideration, the No. 1 priority, that we need to deal with here, but to say that it is of such importance that we cannot even consider eliminating pork from that program, I think, is the wrong thing.

We do trust the President to do this. I think we have to trust him in this one as well, and I would also point out there are very few major defense programs that are less than $50 million, so it seems to me there would be almost no opportunity to really affect wasteful, outmoded, outdated, as the former chairman said, outmoded weapons systems, we would not be able to touch.

It assumes there is no pork in DOD. I think that is clearly wrong. There is pork in every program we deal with. So I must strongly resist and oppose the gentlemen's amendment.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentleman from Louisiana.

Mr. TAUZIN. As the gentleman knows, we plan later on to offer an amendment that I think cures this problem, and that is if the legislature, this Congress, stays within the glideslope projections that take us to a balance budget, we are not going to have this problem at all. It is only when we spend in excess that then the President would have to exercise the line-item veto to keep us on line, in which case every program ought to be examined to see if there is pork in it, every single one.

I think the gentleman is correct in that view. I would urge that that view prevail on this floor.

□ 1840

Mr. FATTAH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do so to make a couple of points. One is that it is less then clear, I think, to the American public when we say the budget becoming in balance as to what we mean in respect to the national debt that has accumulated. We keep referring to a balanced budget as if just the removal of the deficit would in fact bring the budget into balance. But the real purpose of my remarks at this moment is to speak to the amendment before us.

This amendment, seemingly, would restrict any line-item veto limited to items of $25 million, to no more than $25 million. It would seem to me that with some creative budgeting you could make a number of budgets, programs not presently in the defense budget part of the defense budget, and therefore protect them from the line-item veto. If the majority is trying to legitimately pass a line-item veto, they would not want to create this kind of creativity in the budget process.

Even though I do not degree with the notion of line-item veto, I have talked about my experience with it in Pennsylvania where it has been abused. But if the purpose is a pure one and a sincere one, it would seem to me this amendment would be rejected.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. And as I do so I am thinking "Here we go again." We appear to be right back on our debate, about which we were speaking earlier this week, on unfunded mandates.

You cam recall in that bill the sponsors exempted from the definition of unfunded mandates laws dealing with national security. So we had amendments to exempt other laws, like laws protecting the environment, laws protecting children, and laws protecting workers. In each case the proponents of the bill said "No." They said it would open the floodgates to more exemptions.

Here we are again. This amendment exempts defense spending from rescissions. The President could not under the amendment cut defense spending, like a missile system. At the same time there are no other exemptions. There are no exceptions for spending for nutrition programs, programs for the homeless, programs for the elderly, children's programs, programs for the aged, programs for the disabled, and education programs. It is the same set of priorities we saw the last time.

Mr. Chairman, as Yogi Berra said, "it is deja vu all over again."

I urge we vote no on this amendment. It is not a good amendment.

Mr. BLUTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a great deal of respect for the authors of this amendment. I think there are Members who are primarily responsible about keeping our national defense capability at a very, vry high level, which we all think is very important.

I reluctantly rise to oppose this amendment, though, because earlier

today we debated the issue of exempting the judiciary from this bill and I think we rightfully did not exempt the judiciary.

I believe we should not exempt the Pentagon. Military spending should not be sacrosanct in terms of budget scrutiny, scrutiny with regard to pork-barrel spending. The President has a responsibility to look at all spending, even as it relates to our national defense, and to decide whether it is necessary. If indeed the President unwisely vetoes a national defense expenditure, the Congress can override that if he makes a serious mistake in judgment.

So I strongly oppose this amendment. I think as the gentlewoman from Illinois said, if we start exempting all these areas we are going to run into real problems.

Let us give the President a strong line-item veto authority and let us get this budget deficit under control once and for all.

AMENDMENT OFFERED BY MR. GENE GREEN OF TEXAS TO THE AMENDMENT OFFERED BY MR. SKELTON

Mr. GENE GREEN of Texas. Mr. Chairman, I offer an amendment to the amendment.

Amendment offered by Mr. GENE GREEN of Texas to the amendment offered by Mr. SKELTON of Missouri: Before the period at the end of the proposed amendment insert the following: "and Medicare".

Mr. GOSS. Mr. Chairman, I reserve a point of order on the amendment to the amendment.

The CHAIRMAN. The point of order is reserved.

Mr. GENE GREEN of Texas. Mr. Chairman, this amendment came up very quickly. Again, our committee did not even have the opportunity to discuss it or consider it in the public hearing or even in the markup. And my concern is if we are talking on an important national issue, and national defense is important, and setting up that anything over $50 million the President cannot line-item veto and send back to us for consideration, why should we not also, if we are going to set up a separate classification for important programs that our Government is responsible for, why should not we also include Medicare for our seniors?

Again, it is not necessarily the national defense is in the Constitution, but I make a case I think for domestic tranquillity and health care for seniors even though it was only since the 1965 under President Johnson that this Congress passed it. I think we ought to be able to set that up and send the same message that we do not want a future President of the United States to make the determination that our budget is so high that we are going to cut Medicare because it is obviously over $50 million a year.

I think we need to set up—if we are going to set up a sacred cow, and there are some that I have, and one is Medicare, I think a lot of Members of Congress would recognize that. Even the majority said they would not touch Social Security.

I would put an extension on that to say that we are not going to touch Medicare. I would hope the Members of Congress would consider this, say that if we are making national defense important, over $50 million, let us look at it and let us look at Medicare.

I would encourage Members to support this amendment.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Florida [Mr. GOSS] insist on his point of order?

Mr. GOSS. This gentleman from Florida does insist on his point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state his objection.

Mr. GOSS. Mr. Chairman, I make a point of order against the amendment and ask to be heard on my point of order.

Mr. Chairman, the amendment violates clause 7 of rule XVI, the germaneness rule, and introduces a new subject. It really does. We are getting out of discretionary budget authority into entitlements, mandatory spending, obviously. This is wildly beyond the territory, as I believe the gentleman knows.

I want to assure everybody that that was not the intent. We are talking about discretionary budget authority. I want to put the gentleman's mind at ease that there is no attack on Social Security or anything else going on here. This is just, unfortunately, out of bounds.

The CHAIRMAN. Does the gentleman from Texas, Mr. GENE GREEN, wish to speak on the point of order?

Mr. GENE GREEN of Texas. Mr. Chairman, if I may be recognized, I would like to speak.

The CHAIRMAN. The gentleman from Texas may proceed.

Mr. GENE GREEN of Texas. Mr. Chairman, obviously, I disagree with the germaneness because it is talking about the line-item veto and setting up a different program. Now, if we want to set up a different sacred cow, so to speak, or protect a different program than we are going to protect from the line-item veto, I think it is germane to the bill. There may be a question about the amendment, but then we could run with a separate amendment. But to save the time of Congress you may want to consider it just as an amendment to the amendment.

The CHAIRMAN pro tempore (Mr. EMERSON). The Chair is prepared to rule.

The amendment is not germane to the Skelton amendment, which relates to national defense budget authority.

The point of order is sustained.

Mr. EDWARDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a prodefense Democrat. I believe that guaranteeing a strong national defense is the first responsibility of the Federal Government. It has been so for 200 years of our Nation's history. Whether you are a Republican or a Democrat, if you believe truly in a strong national defense, you should vote "yes" on the Skelton amendment.

Let me be very clear: A vote against this amendment is a vote against protecting our Nation's defense.

To my Democratic colleagues and to the gentleman from Missouri [Mr. SKELTON] for his leadership, to my Republican colleagues, the gentleman from California [Mr. DORNAN], the gentleman from Arizona [Mr. STUMP], the gentleman from Pennsylvania [Mr. WELDON], who have cosponsored this in a bipartisan fashion, I say thank you.

To my Republican colleagues who might be thinking about voting against this amendment, let me have you ask yourself a question.

□ 1850

Do you want a President, perhaps the President that you will least like to see in the Oval Office, and only one-third of this House, or only one-third of our Senate, to be able to veto ballistic missile defense, or the B–2, or the V–22, or the F–22, or perhaps a military operation in your district? Do you want that to happen?

Do you want this President that you would like not to see sitting in the Oval Office and one-third of this House to be able to cut the size of the Army by two divisions, and you would be helpless to stop it?

I say to my colleagues, if that's what you want, then oppose the Skelton amendment.

To my colleagues, both Republican and Democratic who are very strong in favor of national defense, I say, if you vote no on this amendment, you are voting to make it easier to gut our national defense, period. If that happens, make no mistake about it. You will have done more to hurt our defense programs than any liberal Democrat who believes our defense budget genuinely should be cut in half. The choice is clear. If you believe national defense is the most important responsibility of the Federal Government, then you should vote aye on this amendment. If you believe national defense is more important than the whims or the political agenda of any one President of either party, then you should support this amendment. If you vote no on this amendment, do not try to defend your vote by saying you wanted a pure bill with no exemptions.

Mr. Chairman, defense deserves to be treated differently. If deserves to be exempted because the lives of our young service men and women and the national security of our Nation and our future are far more important than

some blind commitment to vote against all amendments.

I say, the choice is clear, my colleagues. If you want to protect a strong national defense, the only vote on this amendment is a yes vote.

Mr. PETERSON of Florida. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. Mr. Chairman, I want to compliment the gentleman and the gentleman from Missouri [Mr. SKELTON] for their comments on this issue.

I think the bewitching hour has arrived. We have had numerous speeches on this floor over my tenure of 4 years of everyone saying, "I'm for national defense, I'm for national defense, and I stand squarely behind the military of our country."

This is an opportunity to put really the mark on the way and say, "I truly believe it," by this vote. Absolutely a no vote on this particular amendment will state it is not OK to protect national defense of this country, and I applaud the works of the gentleman from Missouri [Mr. SKELTON] and others who have cosponsored this amendment. I strongly stand in favor of this amendment to make sure that our national defense remains strong under all circumstances.

Mr. EDWARDS. Reclaiming my time, Mr. Chairman, I want to thank the gentleman from Florida [Mr. PETERSON]. I can think of no Member of this House who can speak more sincerely and more genuinely and who has given more to this country in its national defense than the gentleman from Florida [Mr. PETERSON].

Mr. GOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I listened with great intensity to this. This is a very important subject, and I believe the people who have made this amendment have done it out of the spirit of a very strong conviction about the need for national defense, and we do not do anything here that could possibly interfere with the best possible national security we can provide for every American.

I think, however, that their effort has been a little misguided perhaps because they are not familiar with what else is in this legislation, and I reluctantly, as the gentleman from Pennsylvania [Mr. CLINGER] did, have to come to the conclusion that this is not a good amendment and that there are perhaps other ways to achieve what is being argued for, which I certainly support, which is the best possible national defense, the most efficient cost.

In fact, Mr. Chairman, I am afraid this amendment, as it is reported, as I understand it, may actually tend to undermine the intent of this bill because it opens the door. We have not opened any other door, and we heard the gentleman from Wisconsin has spoken very eloquently about what will happen if we open the door: "If you open one, they are all going to open."

Then there is talk a little bit further about what is going to happen if we do not do this amendment. There is no other way to solve these problems to protect the defense.

Well, we have just agreed to the amendment offered by the gentlewoman from Florida [Mrs. THURMAN] which I think will help. We have created an expedited process in committee to make sure that we can deal with these things quickly. We have guaranteed every Member a vote. We have gone the extra length to make sure every Member can get out and get on this concern, whatever it may be, and there will be only defense, and deal with it, and I would even suggest to the gentleman from Missouri [Mr. SKELTON], for whom I have the deepest respect, there may even be better ways outside the scope of H.R. 2 today that we are talking about, and I would be happy to share those with him because in committee we did talk about some of those things, and I think there are a number of other options, and I think we only make exceptions of the magnitude that we would have to make if we favored this that would open those doors that the gentleman from Wisconsin has referred to if there are no other choices, and it is clear there are other choices.

I am very concerned about the trigger that has been set. It is arbitrary. If this is law, it becomes law for a long time. Is that the right number for a long period of time? Will it be changed? Will it be changed and abused after a period of time? Those kinds of questions have be asked.

But perhaps the most serious concerns I have are what we would put under the, quote, defense umbrella, unquote, if we made this exception.

Now, when I look at the appendix of some of the nondefense-related programs funded by defense in 1993, I get into things like disaster relief, disaster relief, legacy resource management, World Cup USA, environmental impact on Indian lands, World University Games, breast cancer research, AIDS research, prostate research, a whole bunch of things that are critically important programs. I would not doubt that for 1 minute, but wonder if they are really central and paramount to the major defense mission of national security, and what I am concerned about is, if we tried to create an exemption like this, that suddenly everything will be defense related, there really will not be very much else to talk about, and that concerns me very, very much, and I realize that some of those programs, in an abundance of caution and fairness I will say, would not reach the trigger today, but that does not mean they would not reach the trigger tomorrow, as we get more and more into these things, and I say AIDS research might be an area where we might have that number go up dramatically.

But the other point that is perhaps more serious: It seems to me that the gentleman or the gentlelady in the White House is our President, and I wonder why we would exempt the Commander in Chief from jurisdiction over a defense program. That is a puzzle.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, am a pro-defense Member of the House of Representatives. I would point out to my colleagues that with the Thurman amendment any 50 of us that took umbrage with any decision that has been made now in either bill, either the H.R. 2 or the substitute that we will offer tomorrow, any 50 standing up may get a separate vote. Therefore, we have covered a good part of the problem that has been a concern by my colleagues who I formerly agreed with in total.

I choose to take a few minutes though to speak on behalf of why I oppose H.R. 2, and my colleagues have just heard the best example of why all of us in this body should be a little bit concerned before we grant to any President one-third-plus-one minority override on decisions of extreme importance to individual Members, whether it be on defense or any other area of our budget.

I have opposed the real line-item veto ever since I first heard of it. We are not discussing the real line-item veto because, if we were doing the real line-item veto, we would have an amendment to the Constitution of the United States for purposes of two-thirds vote in the House, two-thirds vote in the Senate, sending it to the American people to see whether or not three-fourths of the States want to see us grant this tremendous change in power that we are about to do if we adopt H.R. 2, power as defined by the Constitution, by the original writers. That is why we have come to a conclusion that we need a modified version of the line-item, a modified version even of the modification called H.R. 2.

□ 1900

I can no longer explain to my constituents why we do not give the President the right to go into appropriation bills, into tax bills, into any kind of a bill on this floor, and extract certain things that are embarrassing to the entire House. I could not do that. So we came up with the modified version in which we are perfectly willing, and I say this in all sincerity, any President of the United States today or in the future can go into any bill, any bill, and line-item CHARLIE STENHOLM'S, i.e., 17th District of Texas, favorite program. Something of benefit specifically to my constituency. I want them to

have that power. All I ask is that I have an opportunity to stand on this floor and to argue with you, my colleagues. And if I can find 50-percent-plus-one to agree with me, it stays in. If the President wins, it goes out.

That is the significant part of the debate that we will spend today, tomorrow, and Monday on. We will get further into this debate when we talk to him about the specifics of the substitute that we offer.

I just have a difficult time believing that there is a majority of my colleagues that want to grant one-third-plus-one minority override, particularly now that we are talking about defense. But whatever the area is, that is the fundamental question. And to all who we have managed to muddle this so much, I want to repeat, I am perfectly willing, and want to have the President to be granted new powers to go in and extract those things in budgets that should not be there. Period. The fundamental question you have to ask is: Do you want it to be a minority override? Do you want one-third of the Senate to agree with the President and it be done, one-third of the House to agree with the House? Or do we want to stay with majority rule?

If you needed a good argument for the position of the substitute of the Wise-Spratt-Stenholm amendment, you have just heard it tonight. And to my colleagues who believe that you want it to be that other way, I hope you will think twice overnight and reconsider your position. I believe the substitute is the better way for us to go.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I reluctantly rise to oppose this amendment. At the beginning, I thought this might be a pretty good amendment and it was really important to make sure that under the Constitution we maintain a common defense. But let me make two very real points.

To those that are purists, like I am, you cannot come out here on the balanced budget amendment, on unfunded mandates, on this bill, the line-item veto, and be pure about the philosophy that we are trying to accomplish here with the Contract With America and exempt one program.

If we are going to exempt defense, then it is hypocritical not to exempt child issues. It is hypocritical not to exempt education or any other very favorite and solemn program that we are all for.

It disturbs me, first off, in this amendment that you have a threshold of $50 million. It very well concerns me that what in practice, in trying to avoid the President line iteming some of the very favorite programs that do not cost $50 million, defense becomes the welfare pot to throw all kinds of programs into.

Let me just show you some non-defense-related programs that I have. I have two pages that are already put into the pot. Most of these are under $50 million.

The National Guard civilian youth program; the National Guard Outreach Los Angeles program; the Presidio of San Francisco is in this; disaster relief is in this; the World University Games could be put in this. It was put in the defense bill before. Summer Olympics in the defense bill. AIDS research in the defense bill.

Now, most men in this House think it is very important, but in the defense bill there is prostate disease research. I do not know if that is really important to the defense, the common defense, of this country.

I could go on and on. Historically black colleges and universities, that may entice some that are against this amendment to be for it, but it does not belong in the defense bill. United States-Japan management training, and many other programs that could go into the defense bill and seriously harm spending for defense.

Let me tell you, the present President, my President, decides to start line-item vetoing things in the defense bill that are important to pro-defense people, I guarantee you we have the votes in this House right now to stop that President from doing so. I am not afraid to take on the President if he wants to take on the strategic defense initiative and other issues like that. We can take him on, we have the votes, and we will defeat him.

I think you have to keep this line-item veto, and I agree with the gentleman from Texas, I would much prefer to have a constitutional amendment, but this is all we have. And it is a good, very well-structured, worked-out bill, that we do not need to be exempting any one program from another.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I want to thank the gentleman from Texas. The gentleman makes my case. Every item that the gentleman mentioned is under $50 million. Every item that the gentleman mentioned could be vetoed under this amendment by the President of the United States. I thank the gentleman for making the case and in essence speaking for my amendment.

Mr. DELAY. Mr. Chairman, reclaiming my time, I disagree with the gentleman. He is right there could be line-item veto, but there are other items in here over $50 million that could not be vetoed. Disaster relief, legacy resource management, Hawaiian volcano observatory, over $50 million, Semetech research. University research grants. Some of them may be pro-defense, but we all know many of them probably are not. And there are many others.

The point that I am trying to make is that it leaves a loophole for those that may want to have a favorite social program stuck into the defense budget, something that many of us oppose.

Mr. GENE GREEN of Texas. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Mr. Chairman, the gentleman and I have served many years together in the state house, and I am glad to see we agree today on this issue.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DELAY] has expired.

(By unanimous consent, Mr. DELAY was allowed to proceed for 1 additional minute.)

Mr. DELAY. Mr. Chairman, I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Mr. Chairman, sometimes this aisle gets to be a wall instead of a way we can cross. I am glad the gentleman spoke today and talked about this. We could set up other programs just like this if we wanted to, but this bill needs to be as pure as we can have it. I agree, though, that we might need to look at an amendment later to make it a majority of the House instead of two-thirds, because I do not know if you could get two-thirds of the House to override a Presidential line-item veto. We might look at a majority on a later amendment.

Mr. DELAY. Mr. Chairman, I am more than happy to work with the gentleman on his suggestion, and we will look at it later. I was willing to work on this amendment, but when I really looked at it, I thought in order to be honest and straightforward about this, you cannot exempt any one particular line item.

Mr. ABERCROMBIE. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. Mr. Chairman, as much as Hawaii was mentioned, and volcanoes, this is a good point. It makes my case, I must say, I believe why the line-item veto should not be used. We are dealing with the Pohakaka training site. All the training for the Pacific Rim takes place there. The reason for the appropriation is to see to it that our forces are ready for any contingency that occurs out there. It is not pork barrel. Just because it exists in Hawaii does not mean it is not vital to the national interests.

AMENDMENT OFFERED BY MR. WELDON OF PENNSYLVANIA TO THE AMENDMENT OFFERED BY MR. SKELTON

Mr. WELDON of Pennsylvania. Mr. Chairman, I offer an amendment to the amendment, which I have discussed with the initial offerer of the amendment, and I assume he is willing to accept.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WELDON of Pennsylvania to the Amendment offered by Mr. SKELTON: Strike out "$50,000,000" and insert "$200,000".

□ 1910

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise to offer this amendment, which I have discussed with my friends on the other side, the gentleman from Missouri [Mr. SKELTON] and the gentleman from Texas [Mr. EDWARDS].

Let me say at the outset, Mr. Chairman, we are all in agreement here. The defense budget of this country has already become the cash cow. In last year's defense bill, Mr. Chairman, the total amount of unauthorized appropriations was $4.7 billion; $2 billion of that $4.7 billion was in the subcommittee that I now chair, the Subcommittee on Research and Development.

I asked the staff to provide me a listing of those projects that were included as unauthorized appropriations, and I have them here. There are more than two pages. There are a whole series of pages. And, in fact, Mr. Chairman, most of the projects are under $50 million, and almost all of the projects are under $200 million.

We are in agreement that those projects that are taking dollars away from the defense of this country should be subject to a Presidential line-item veto, which, if we feel strongly enough about, we can keep in the budget. Many of these programs would not withstand that test. But we also agree that there needs to be some limit.

The defense appropriation bill is the largest appropriation bill that we act on each year. We want to make sure that as we go through major weapons systems that some President down the road may not in fact wipe out an entire weapons system that in fact has been fully debated through the committee process.

What we are trying to get at are the add-ons that Members get through the back door. I would say to my colleagues that I do not know of any Member of this body, in the 9 years that I have been here, that has gotten an add-on on the defense bill more than 200 million. I cannot think of a thing. I went through this listing, and I cannot find one.

So I think it is important that we do in fact work to reduce that $4.7 billion unauthorized appropriation level. I have said that in committee. I have said it in subcommittee, and I say it on the House floor.

But I also think it is important that we understand these bigger items, which are important for our security, which are debated in our authorization and Committee on Appropriations, also should not be subjected to that kind of action without full and deliberate debate. That is why the threshold is needed.

I would hope that my good friend and colleague would in fact accept this amendment to his amendment. I would hope that our colleagues would vote "yes" on the amendment.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I thank my friend from Pennsylvania. His proposed amendment to my amendment corrects the debate that we have just heard. I gladly accept it, and the gentleman from Texas [Mr. EDWARDS] tells me he also accepts it. We appreciate the gentleman's hard work and the sincerity and the research that he has done and just offered us on the floor. And we thank him.

Mr. WELDON of Pennsylvania. I would hope that our colleagues would support this, Mr. Chairman. I consider myself a fiscal conservative. I have as many watchdogs in my office as any of my colleagues, but this is also an issue involving our national security. Please vote "yes" on the amendment.

Mr. FATTAH. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. FATTAH. I know that the gentleman is sincere, but I wanted to ask one question. What would prevent a group of projects that some might call pork being put together to get over the 200 million mark? There was some creative budgeting done back home where I come from, and I am just trying to understand how would the gentleman guard against that in this particular amendment.

Mr. WELDON of Pennsylvania. I thank my colleague for the question, my good friend from Philadelphia. And what I would say, I am not a member of the Committee on Appropriations, but typically these items are added on line by line. They are specific in nature, and, in fact, we would have that opportunity. In fact, I would be happy to show this list to any of my colleagues. Every one of the items in the R&D account of $2 billion of unauthorized appropriations are in fact individually listed. They, in fact, are not lumped together. I do not think that would be a problem. If it is, we will have to deal with that on a future legislative issue or effort of this type.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WELDON] to the amendment offered by the gentleman from Missouri [Mr. SKELTON].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. SKELTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KLECZKA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 52, noes 362, not voting 20, as follows:

[Roll No. 87]

AYES—52

Bateman	Frost	Peterson (FL)
Bishop	Hayes	Pickett
Brewster	Hefley	Scarborough
Browder	Hilleary	Scott
Burton	Hunter	Sisisky
Callahan	Johnson, E.B.	Skelton
Coleman	Jones	Slaughter
Cramer	Klink	Spence
Cubin	Laughlin	Stump
Danner	Lewis (CA)	Tanner
de la Garza	Lewis (KY)	Taylor (MS)
Dicks	McKeon	Tejeda
Dornan	McNulty	Thornberry
Edwards	Metcalf	Ward
Emerson	Mfume	Weldon (PA)
Everett	Montgomery	Wilson
Fazio	Ortiz	
Fowler	Pastor	

NOES—362

Abercrombie	Cooley	Goodlatte
Ackerman	Costello	Goodling
Allard	Cox	Gordon
Andrews	Coyne	Goss
Archer	Crane	Graham
Armey	Crapo	Green
Bachus	Cremeans	Greenwood
Baker (CA)	Cunningham	Gunderson
Baker (LA)	Davis	Gutierrez
Baldacci	Deal	Gutknecht
Ballenger	DeFazio	Hall (OH)
Barr	DeLauro	Hall (TX)
Barrett (NE)	DeLay	Hamilton
Barrett (WI)	Dellums	Hancock
Bartlett	Deutsch	Hansen
Barton	Diaz-Balart	Hastert
Bass	Dickey	Hastings (FL)
Bellenson	Dingell	Hastings (WA)
Bentsen	Dixon	Hayworth
Bereuter	Doggett	Hefner
Berman	Dooley	Heineman
Bevill	Doolittle	Herger
Bilbray	Doyle	Hilliard
Bilirakis	Dreier	Hinchey
Blute	Duncan	Hobson
Boehlert	Dunn	Hoekstra
Boehner	Durbin	Hoke
Bonilla	Ehlers	Holden
Bonior	Ehrlich	Horn
Bono	Engel	Hostettler
Borski	English	Houghton
Boucher	Ensign	Hoyer
Brown (FL)	Eshoo	Hutchinson
Brown (OH)	Evans	Hyde
Brownback	Ewing	Inglis
Bryant (TN)	Farr	Istook
Bryant (TX)	Fattah	Jackson-Lee
Bunn	Fawell	Jacobs
Bunning	Fields (LA)	Jefferson
Burr	Fields (TX)	Johnson (CT)
Buyer	Filner	Johnson (SD)
Calvert	Flake	Johnson, Sam
Camp	Flanagan	Johnston
Canady	Foglietta	Kanjorski
Cardin	Foley	Kaptur
Castle	Forbes	Kasich
Chabot	Ford	Kelly
Chambliss	Fox	Kennedy (MA)
Chapman	Frank (MA)	Kennedy (RI)
Chenoweth	Franks (CT)	Kennelly
Christensen	Franks (NJ)	Kildee
Chrysler	Frelinghuysen	Kim
Clay	Frisa	King
Clayton	Funderburk	Kingston
Clement	Furse	Kleczka
Clinger	Gallegly	Klug
Clyburn	Ganske	Knollenberg
Coble	Gejdenson	Kolbe
Coburn	Gekas	LaFalce
Collins (IL)	Geren	LaHood
Combest	Gilchrest	Lantos
Condit	Gillmor	Largent
Conyers	Gonzalez	Latham

LaTourette	Olver	Skeen
Lazio	Orton	Smith (MI)
Leach	Owens	Smith (NJ)
Levin	Oxley	Smith (WA)
Lewis (GA)	Packard	Solomon
Lightfoot	Pallone	Souder
Lincoln	Parker	Spratt
Linder	Paxon	Stearns
Lipinski	Payne (NJ)	Stenholm
Livingston	Payne (VA)	Stockman
LoBiondo	Pelosi	Stokes
Lofgren	Peterson (MN)	Studds
Longley	Petri	Stupak
Lowey	Pombo	Talent
Lucas	Pomeroy	Tate
Luther	Porter	Tauzin
Maloney	Portman	Taylor (NC)
Manzullo	Poshard	Thomas
Markey	Pryce	Thompson
Martini	Quillen	Thornton
Mascara	Quinn	Thurman
Matsui	Rahall	Tiahrt
McCarthy	Ramstad	Torkildsen
McCollum	Reed	Torres
McCrery	Regula	Torricelli
McDade	Reynolds	Towns
McDermott	Richardson	Traficant
McHale	Riggs	Tucker
McHugh	Rivers	Upton
McInnis	Roberts	Velazquez
McIntosh	Roemer	Vento
McKinney	Rogers	Visclosky
Meehan	Rohrabacher	Volkmer
Meek	Ros-Lehtinen	Vucanovich
Menendez	Rose	Waldholtz
Meyers	Roth	Walker
Mica	Roukema	Walsh
Miller (CA)	Roybal-Allard	Wamp
Miller (FL)	Royce	Waters
Mineta	Rush	Watt (NC)
Mink	Sabo	Watts (OK)
Molinari	Salmon	Weldon (FL)
Mollohan	Sanders	Weller
Moorhead	Sanford	White
Moran	Sawyer	Whitfield
Morella	Saxton	Wicker
Murtha	Schaefer	Williams
Myers	Schiff	Wise
Myrick	Schroeder	Wolf
Nadler	Schumer	Woolsey
Neal	Seastrand	Wyden
Nethercutt	Sensenbrenner	Wynn
Neumann	Serrano	Yates
Ney	Shadegg	Young (AK)
Norwood	Shaw	Young (FL)
Nussle	Shays	Zeliff
Oberstar	Shuster	Zimmer
Obey	Skaggs	

NOT VOTING—20

Baesler	Gephardt	Moakley
Barcia	Gibbons	Radanovich
Becerra	Gilman	Rangel
Bliley	Harman	Smith (TX)
Brown (CA)	Manton	Stark
Collins (GA)	Martinez	Waxman
Collins (MI)	Minge	

□ 1931

Ms. JACKSON-LEE, Mr. BALDACCI, and Mr. HOLDEN changed their vote from "aye" to "no."

Mr. HILLEARY changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. HARMAN. Mr. Speaker, during rollcall vote No. 87 on H.R. 2 I was unavoidably detained. Had I been present I would have voted "no."

AMENDMENT OFFERED BY MR. DEAL OF GEORGIA

Mr. DEAL of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DEAL of Georgia: At the end, add the following new section:

SEC. 7. JUDICIAL REVIEW.

(a) EXPEDITED REVIEW.—

(1) Any Member of Congress may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief on the ground that any provision of this Act violates the Constitution.

(2) A copy of any complaint in an action brought under paragraph (1) shall be promptly delivered to the Secretary of the Senate and the Clerk of the House of Representatives, and each House of Congress shall have the right to intervene in such action.

(3) Any action brought under paragraph (1) shall be heard and determined by a three-judge court in accordance with section 2284 of title 28, United States Code.

Nothing in this section or in any other law shall infringe upon the right of the House of Representatives to intervene in an action brought under paragraph (1) without the necessity of adopting a resolution to authorize such intervention.

(b) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under paragraph (1) of subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Any such appeal shall be taken by a notice of appeal filed within 10 days after such order is entered; and the jurisdictional statement shall be filed within 30 days after such order is entered. No stay of an order issued pursuant to an action brought under paragraph (1) of subsection (a) shall be issued by a single Justice of the Supreme Court.

(c) EXPEDITED CONSIDERATION.—It shall be the duty of the District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

Mr. DEAL of Georgia. Mr. Chairman, this amendment is hopefully a noncontroversial one that addresses the issue of expedited judicial review. Since we are proceeding in a statutory form for a line-item veto and not a constitutional amendment, it should be obvious that until that constitutionality is clarified, it will be under a cloud.

This would be an expedited process for allowing that issue to be determined and allow this body, if it is determined unconstitutional, to make necessary changes and, if not, to proceed with its use.

I urge the adoption of the amendment.

Mr. Chairman, this should be a non-controversial amendment that can be supported by Members of both sides of the line-item veto issue. My amendment will simply streamline and expedite judicial review of the line-item veto authority in the bill. The amendment will ensure that any questions regarding the constitutionally of line item veto authority are resolved as rapidly as possible.

I endorsed the line-item veto in my campaign and have voted in favor of the strongest possible line item veto at every opportunity since coming to Congress. As a supporter of line-item veto, I believe that it is important that any questions regarding the constitutionally of the line item be resolved as quickly as possible. As long as legal questions remain, the President may be reluctant to fully utilize the line-item veto, and any spending cut through the line-item veto process would certainly be challenged. The effectiveness of the line-item veto will be severely handicapped until the legal questions are resolved. It is in nobody's interest to leave the legal status of line-item veto authority in limbo for an extended period of time.

Under my amendment, any Member of Congress may bring action in Federal district court challenging the constitutionally of the line-item veto. The decision of the district court would be appealed directly to the Supreme Court. Both the district court and the Supreme Court would be directed to advance any case challenging the line-item veto on the docket and expedite consideration of the case.

Hopefully, the procedure established by my amendment will result in a final resolution regarding the constitutionally of line-item veto authority before the fiscal year 1996 appropriations bills are sent to the President. If the courts uphold the constitutionally of line-item veto authority, the President will be free to utilize the line-item veto authority without any question. If the courts strike down the line-item veto authority, Congress will have time to consider legislation to take corrective action and pass legislation strengthening the ability of the President to cut out wasteful items in tax and spending bills that is consistent with the ruling of the court.

If my amendment for judicial review is not added to the bill, it is unlikely that the courts would consider the issue until the President exercises the line-item authority. Every rescission submitted by the President under the line-item veto authority for fiscal year 1996 would almost certainly be challenged and potentially blocked until the issue worked its way through the court system. This will effectively prevent the President from truly utilizing the line-item veto for fiscal year 1996.

Whether or not you support the line-item veto, I encourage you to support the Deal judicial review amendment.

Mr. BLUTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is a good amendment which simply ensures that any court challenge to H.R. 2 be considered on an expedited basis. Because this bill affords a significant new power to the President, it almost certainly will be challenged in court. Rather than permitting any such challenge to linger on overcrowded court dockets, the Deal amendment would provide for fast-track judicial consideration of any court challenge.

The amendment is a significant enhancement to the bill and should be adopted.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Deal amendment. It is one that we should all be able to support whether we support the bill or oppose the line-

item veto bill. This amendment makes it possible for the constitutionality of H.R. 2 to be brought before the courts on an expedited basis.

Proponents of H.R. 2 should want to have the constitutional question regarding this bill settled as soon as possible. Those of us who oppose H.R. 2 for constitutional reasons also want the courts to look at this bill as soon as possible.

This amendment says that the courts can go ahead and hear a test case on this legislation constitutionally without having to wait for the President to use the line-item veto authority this bill gives him.

Mr. Chairman, this bill gives the President authority to sign measures into law that are in a form the Congress has never passed. To me, that means we are giving the President authority to make laws, authority that belongs to the Congress under the Constitution. To me that raises serious constitutional questions.

On this point, I would note that in testimony before the Senate Committee on the Judiciary last week, Assistant Attorney General Walter Dellenger challenged the constitutionality of H.R. 2. I am going to read briefly from his statement in which he refers to the authority H.R. 2 gives the President over targeted tax benefits:

It does so by purporting to authorize a President to "veto" target tax benefits after they become law thus resulting in their repeal. The use of the term "veto" and "repeal" is constitutionally problematic. Article I, Clause 7 of the Constitution provides that the President only can exercise his "veto" power before a provision becomes law. As for the word "repeal," it suggests that the President is being given authorization to change existing laws on his own. This arguably would violate the plain textual provision of Article I, Clause 7 of the Constitution governing the manner in which Federal laws are to be made and altered.

Mr. Chairman, I would urge my colleagues to support this amendment. It makes good sense to do so.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. DEAL].

The amendment was agreed to.

Mr. CLINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do so only to give the Members a sense of where we are.

It is our hope to be able to deal with one more amendment this evening, an amendment to be offered by the gentleman from Pennsylvania [Mr. KANJORSKI], and at that point we will hopefully conclude action on that amendment tonight and rise.

□ 1940

AMENDMENT OFFERED BY MR. KANJORSKI

Mr. KANJORSKI. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KANJORSKI: At the end, add the following new section:

SEC. 7. TERMINATION DATE.

This Act shall cease to be effective on January 1, 2000.

Mr. KANJORSKI. Mr. Chairman, the purpose of this amendment of course is to add another section indicating termination date; and it is the purpose to sunset this act as of January 1 of the year 2000, the principle being that we would enact extraordinary powers and transfer of powers from the Congress to the Executive, some of which powers are unknown or unreasonable or unthinkable right now as to what the ramifications of this may be. And I think what it does is allows us the opportunity to have a rein on the Executive, that if over the next 5 years there is abuse in the exercise of the line-item veto this Congress would have an opportunity to oversight the use of the line-item veto to either reform the amount of power that would be delegated to the Executive and if the abuse is so excessive by the Executive, it would terminate as of January 1 of the year 2000.

I have never been a supporter of the constitutional amendment of changing the balance of powers between the executive branch of government and the legislative branch of government insofar as the legislative branch would pass over to the executive all of the possibilities that could be used in the appropriation bills and in tax bills. But apparently the will of the Congress is going to be, at least the House of Representatives, is going to be quite firm, that this bill will pass, and that is what the will of the majority is. There is nothing wrong with that.

But now we have to look at the Constitution and we have to look at the precedence that we are establishing and the potential abuse.

I had the pleasure of serving in this House in the 83d Congress as a page. That is the last Congress that the Republican Party was in the majority. When I look back at the history of the 83d Congress, I find that it did some very successful things in America. It attacked clean water for the first time in navigable rivers. It attacked and thought about the Interstate Highway System. It was a Congress that when it concluded did not have to be embarrassed with its operations.

Now we are faced with the 104th Congress and a new majority, and perhaps a new wind in the land. The tool we are about to pass on to the President is a very powerful tool. It does not only affect this generation, but theoretically could affect all generations to come in America, because as we will get the opportunity to reverse a veto by a majority of this House and the Senate, in order for that to be effective the President will have the constitutional authority to exercise his veto.

If he exercises his veto on any appropriation that this House and the Senate do not agree upon, it will require a two-thirds vote of this House and a two-thirds vote of the Senate to override that veto.

I have examined back as far as I can remember from the 83d Congress until now and I have found no Congress where any single party or coalition in this House or in the Senate ever at any particular time commanded a coalition or a number that would exceed two-thirds of this body or two-thirds of the Senate.

The likelihood that that will happen in the future is quite remote. Historically, if we study the activities of the Parliaments of Europe during the periods of the 1920's and the 1930's, it was not unusual for the Fascist Party or the Communist Party to exercise a majority in those Parliaments, above a third, but below a majority. If for some reason the Executive authority fell into the hands of a party that has a third, and one vote, falls into the hands of the party that captures the Presidency, and a third and one vote of either the House or the Senate, there will be no way that the Congress can capture its constitutional responsibility to properly appropriate the will of the people and in accordance with the first article of the American Constitution.

That is a significant transfer of power.

As we go down this contract and as we go down the changes they want to be made, I hope my colleagues on the Republican side and my colleagues on the Democratic side recognize that what we are doing today is not something that is superficial in any stretch of the imagination, it is not something that can be educationally corrected in the future. The only way we could be certain that the extraordinary powers that this Congress is sending to the Executive, if abused could be changed, is if we have this sunsetting provision that allows this act to cease in 5 years, if an Executive who is now in office or the next Presidency were to violate the trust of the American people and this Congress.

In my time in life I remember only one period of time where excessive Executive authority was used. It was the end of the first term of President Nixon.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. KANJORSKI] has expired.

(By unanimous consent, Mr. KANJORSKI was allowed to proceed for 2 additional minutes.)

Mr. KANJORSKI. Mr. Chairman, it was in that period of time in the early 1970's, at the end of the first term of the Nixon administration and the beginning of the second term of the administration, and we are all aware of all of the President's men, we are all aware that we have a tarnished history where a President of the United States,

as a result of unconstitutional activity, resigned the office of President.

We have the experience that an Executive did exceed his constitutional authority and indeed did abuse legislative authority that was not in his hands. Why would we want to arm and provide for that possibility to occur in the immediate future and ad infinitum until two-thirds of this House or two-thirds of the Senate would be in place to override that?

There are 18 Members of this House that have introduced legislation to bring a 5-year sunset to every piece of legislation that is introduced into the House. I call upon those 18 Members, 16 on the majority side and 2 on the Democratic side, that if they are going to be consistent today, there is not any reasons why they would not support this amendment and start with the line-item veto to provide for a reasonable protection of the constitutional values we all hold high, and to protect the fact that if we delegate this authority to the President and if it is abused, we have a built-in mechanism to stop that unusual and extraordinary power or that extraordinary abuse.

I urge my colleagues on the Republican side and the Democratic side to think in terms that we came here and took another oath of office to the Constitution of the United States and not to a political party.

This is a time not to be a Republican, not to be a Democrat or not to be an Independent, but to be an American, and first of all in American that believes in the Constitution and a constitutionalist. I urge Members to support this reasonable sunset provision.

Mr. DOGGETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, like most Americans, I support the line-item veto. Too often wasteful spending has slipped into a statute, it has hitched a ride into the statute books, and this is a way to try to prevent it.

□ 1950

We need to seize on every tool that we can to oppose wasteful spending. We have the line-item veto in Texas. It has worked up to a point. I think that over the last several sessions Governors, Republican and Democrat alike, have managed to veto through the line item about one-quarter of 1 percent of the 2-year spending budget.

Of course, here, the line-item veto usage would be even more limited since only about one-third of all spending actually occurs in the annual appropriations bill.

We must be very careful with this type of reform. There is no guarantee that, in fact, a line-item veto will be used as a intended, and that is why we offer this amendment tonight. We believe it would be prudent to sunset this legislation every 5 years and, indeed, we believe it would be prudent to sunset every new initiative of this type every 5 years so that the Congress focused on what it was passing and we had a real sense of accountability.

That is why we have proposed sunset provisions for each of these pieces of legislation that are moving through the Congress.

In Texas this has been a process that has led to the repeal of statutes, to the abolition of programs, to the savings of significant amounts of money for the State treasury and, of course, for the taxpayer.

It can work in Washington also.

Mr. Chairman, we know what we hope this reform will accomplish, that a President will be as diligent as the Members who have worked on this legislation to see that wasteful spending is ferreted out and eliminated. But we do not live in an ideal world. It is quite possible that a future President will use the line-item veto for purposes other than those which we intend this evening.

Indeed, Mr. Chairman, it does not take a great deal of imagination to imagine a future President saying that "If you will not vote for this spending program, I will veto through the line item an expenditure program that you want for your district."

Mr. Chairman, this bill in fact could actually give a President a most powerful tool to force Members of Congress to vote to increase and toe the line on his spending bill, not just to ferret out waste, but to add spending where it is unnecessary.

It is at least arguable that this is the reason why the Founding Fathers, when confronted with the notion of a line item veto, chose to deny it to the President, to the Chief Executive. We ought to think a long hard time about changing this process and this balance of power, this separation of power.

One of the ways to do that is by sunsetting the procedure and allowing for this Congress, forcing this Congress, to have to refocus its attention on the whole concept in the next 5 years.

You know, the record since the Second World War of Presidents on the question of appropriations is not necessarily a good one. In fact, during that period of time, various Presidents of both parties have requested more appropriations than this Congress has actually voted to spend. Let us suppose, Mr. Chairman, that we had a President of this Nation who could not submit a balanced budget, who came to this Congress session after session after session proposing one unbalanced budget after another, a President who engaged in the strongest rhetoric against an unbalanced budget, who came up with tools to speak about at campaign time, but never could produce a balanced budget. Such a President we have had in this country. He is the very President for whom the members of the majority wish to change the calendar of this House and dedicate this very bill to on his birthday.

But it is arguable that such a President might not do such a fine job with a line-item veto, that if he could not balance his spending, he cannot cut spending of others. It is for this reason that we ought to look to a sunset process to reviewing the whole concept of a line-item veto rather than taking a blind leap of faith that a line-item veto will actually help us cut the deficit rather than seeing it increased.

Mr. Chairman, virtually every reform has unintended consequences, but there is a way to do something about it, and having the experience of five full sessions of this Congress before we review it is exactly what we can accomplish through sunset.

I move adoption of the amendment.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment.

It was suggested that an obtrusive, Socialist government or President might arise and abuse the line-item veto.

It is our contention that every leadership over the last 40 years has tried to prevent the line-item veto, and now they want to sunset it.

Second, it will affect future generations. A balanced budget amendment, unfunded mandates, and line-item veto will keep this Congress from spending our children's and children's children's future away.

The other side has had 40 years to pass this, and in the next 40 years they may have, or the next thousand years, they may take the majority again. We want to establish a line-item veto in which a President is answerable to the American people for that line-item veto on every item that he forces.

If he abuses it, he himself will be answerable at election time.

Mrs. COLLINS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the gentleman from Pennsylvania's amendment to sunset the rescission authority in H.R. 2 in the year 2000.

Anyone who has been listening to this debate can attest to the fact that many of our colleagues really do not know what this bill does. Members continue talking about all of the Governors who have this authority, when in fact H.R. 2 is very different than the authority the Governors have.

Many continue to believe this is a true line-item veto bill when in fact it is not. By the proponents' own admission, this bill contains, instead, the most powerful rescission authority imaginable. The President can pick and choose elements of an appropriation to rescind. He can be as specific or as general as he wants, and nothing can

stop him as long as he has the support of just one-third plus one of the Members in either the House or the Senate.

Many seem to believe this authority will let the President run roughshod over the Federal judiciary; others think that concern is unwarranted.

In the Senate, Senator MCCAIN supports taking the approach in H.R. 2, while Senator DOMENICI advocates the expedited rescission authority which our colleagues Mr. WISE, Mr. SPRATT, and Mr. STENHOLM also support.

The one common theme that runs through this debate is uncertainty and confusion. This confusion and uncertainty is not going to be settled here on this floor, or in the Senate, or in conference. If this bill is enacted into law, only time will tell what impact it will have.

I strongly urge my colleagues, therefore, to support the Kanjorski amendment to sunset this authority in the year 2000. The amendment would give this experiment 5 years to run. By then, we should know whether it is a policy that we should continue or terminate, or whether we need to modify it in some way.

If you are a proponent of line-item veto, I would think you would want to see this amendment adopted. There is only one way to clear up the questions and confusion that now surround this proposal, and that is to revisit it in the future. That will only occur, if this sunset amendment is adopted.

I urge my colleagues to support the Kanjorski sunset amendment.

Mr. KANJORSKI. Mr. Chairman, will the gentlewoman yield?

Mrs. COLLINS of Illinois. I am happy to yield to the gentleman from Pennsylvania.

□ 2000

Mr. KANJORSKI. It is important. I just want you to recall in 1973 the President, having been dissatisfied with the investigation of the FBI and the CIA in the Watergate scandal, all he had to do was use this provision, if it were in law, and strike the appropriations and do away with the FBI and the CIA. My memory escapes me as to what the impeachment resolution vote on Nixon was in this House, But I highly doubt it was more than two-thirds.

I just ask my colleagues on all sides, realize this is not just a housekeeping vehicle we are talking about today, this is a delegation of authority, legislative appropriation authority that is incredible, and allows the chief executive to reach down and punish those elements of the Government that oppose his views, whether his views are legal or constitutional, because we are arming a future President with that capacity.

Mr. SOLOMON. Mr. Chairman, I move to strike the requisite number of words in opposition to the amendment. It will only take me about a minute.

I just want to say, Mr. Chairman and Members, with all due respect to the gentleman, we have great respect for him, there is no need for this amendment. We have already reached a compromise. Those of us who wanted a true constitutional amendment for a line-item veto, we have compromised on this statute. That is as far as we want to go.

Let me tell you what you are voting on here: What this line-item veto is, it reverses existing law that allows Congress to reject the President's requests to cut pork-barrel spending without even taking a vote. That is what the existing rule and law is today. In other words, Congress can block the spending without doing anything. This line-item veto reverses that procedure by saying that the cuts go through unless Congress votes to disapprove the spending cuts.

That is what we are voting on now. We need permanent law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KANJORSKI].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. COLLINS of Illinois. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 258, not voting 23, as follows:

[Roll No. 88]

AYES—153

Abercrombie	Filner	Meehan
Ackerman	Flake	Meek
Baldacci	Foglietta	Menendez
Barrett (WI)	Ford	Miller (CA)
Bellenson	Frost	Mineta
Bentsen	Furse	Mink
Berman	Gejdenson	Mollohan
Bevill	Gonzalez	Montgomery
Bishop	Green	Moran
Bonior	Gutierrez	Murtha
Borski	Gutknecht	Nadler
Boucher	Hastings (FL)	Neal
Browder	Hefner	Oberstar
Brown (FL)	Hilliard	Obey
Bryant (TX)	Hinchey	Olver
Chapman	Jackson-Lee	Ortiz
Clay	Jefferson	Orton
Clayton	Johnson (SD)	Owens
Clyburn	Johnson, E. B.	Payne (NJ)
Coleman	Johnston	Payne (VA)
Collins (IL)	Kanjorski	Pelosi
Condit	Kaptur	Peterson (FL)
Conyers	Kennedy (MA)	Pickett
Costello	Kennedy (RI)	Rahall
Coyne	Kennelly	Rangel
Cramer	Kildee	Reed
de la Garza	Kleczka	Reynolds
DeFazio	Klink	Rivers
DeLauro	LaFalce	Roemer
Dellums	Lantos	Roybal-Allard
Dicks	Levin	Rush
Dingell	Lewis (GA)	Sabo
Dixon	Lincoln	Sanders
Doggett	Lipinski	Sawyer
Doyle	Lofgren	Schroeder
Durbin	Lowey	Schumer
Edwards	Maloney	Scott
Engel	Markey	Serrano
Evans	Mascara	Sisisky
Fattah	Matsui	Skaggs
Fazio	McDermott	Skelton
Fields (LA)	McKinney	Slaughter
Spratt	Thornton	Volkmer
Stenholm	Thurman	Ward
Stokes	Torres	Waters
Studds	Torricelli	Watt (NC)
Stupak	Towns	Williams
Tanner	Traficant	Wise
Taylor (MS)	Tucker	Woolsey
Tejeda	Velazquez	Wynn
Thompson	Vento	Yates

NOES—258

Allard	Franks (NJ)	Meyers
Andrews	Frelinghuysen	Mica
Archer	Frisa	Miller (FL)
Armey	Funderburk	Molinari
Bachus	Gallegly	Moorhead
Baker (CA)	Ganske	Morella
Baker (LA)	Gekas	Myers
Ballenger	Geren	Myrick
Barr	Gilchrest	Nethercutt
Barrett (NE)	Gillmor	Neumann
Bartlett	Gilman	Ney
Barton	Goodlatte	Norwood
Bass	Goodling	Nussle
Bateman	Gordon	Oxley
Bereuter	Goss	Packard
Bilbray	Graham	Pallone
Bilirakis	Greenwood	Parker
Blute	Gunderson	Pastor
Boehlert	Hall (TX)	Paxon
Boehner	Hamilton	Peterson (MN)
Bonilla	Hancock	Petri
Bono	Hansen	Pombo
Brewster	Hastert	Pomeroy
Brown (OH)	Hastings (WA)	Porter
Brownback	Hayes	Portman
Bryant (TN)	Hayworth	Poshard
Bunn	Hefley	Pryce
Bunning	Heineman	Quillen
Burr	Herger	Quinn
Burton	Hilleary	Radanovich
Buyer	Hobson	Ramstad
Callahan	Hoekstra	Regula
Calvert	Hoke	Richardson
Camp	Holden	Riggs
Canady	Horn	Roberts
Cardin	Hostettler	Rogers
Castle	Houghton	Rohrabacher
Chabot	Hoyer	Ros-Lehtinen
Chambliss	Hunter	Rose
Chenoweth	Hutchinson	Roukema
Christensen	Hyde	Royce
Chrysler	Inglis	Salmon
Clement	Istook	Sanford
Clinger	Jacobs	Saxton
Coble	Johnson (CT)	Scarborough
Coburn	Johnson, Sam	Schaefer
Combest	Jones	Schiff
Cooley	Kasich	Seastrand
Cox	Kelly	Sensenbrenner
Crane	Kim	Shadegg
Crapo	King	Shaw
Cremeans	Kingston	Shays
Cubin	Klug	Skeen
Cunningham	Knollenberg	Smith (MI)
Danner	Kolbe	Smith (NJ)
Davis	LaHood	Smith (TX)
Deal	Largent	Smith (WA)
DeLay	Latham	Solomon
Deutsch	LaTourette	Souder
Diaz-Balart	Laughlin	Spence
Dickey	Lazio	Stearns
Dooley	Leach	Stockman
Doolittle	Lewis (CA)	Stump
Dornan	Lewis (KY)	Talent
Dreier	Lightfoot	Tate
Duncan	Linder	Tauzin
Dunn	Livingston	Taylor (NC)
Ehlers	LoBiondo	Thomas
Ehrlich	Longley	Thornberry
Emerson	Lucas	Tiahrt
English	Luther	Torkildsen
Ensign	Manzullo	Upton
Eshoo	Martini	Visclosky
Everett	McCarthy	Vucanovich
Ewing	McCollum	Waldholtz
Farr	McCrery	Walker
Fawell	McDade	Walsh
Fields (TX)	McHale	Wamp
Flanagan	McHugh	Watts (OK)
Foley	McInnis	Weldon (FL)
Forbes	McIntosh	Weldon (PA)
Fowler	McKeon	Weller
Fox	McNulty	White
Franks (CT)	Metcalf	Whitfield

Wicker	Wyden	Young (FL)
Wolf	Young (AK)	Zimmer

NOT VOTING—23

Baesler	Gephardt	Moakley
Barcia	Gibbons	Roth
Becerra	Hall (OH)	Shuster
Billey	Harman	Stark
Brown (CA)	Manton	Waxman
Collins (GA)	Martinez	Wilson
Collins (MI)	Mfume	Zeliff
Frank (MA)	Minge	

□ 2018

The Clerk announced the following pairs.

On this vote:

Miss Collins of Michigan for, with Mr. Collins of Georgia against.

Mr. Manton for, with Mr. Roth against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. HARMAN. Mr. Speaker, during rollcall vote No. 88 on H.R. 2 I was unavoidably detained. Had I been present I would have noted "no."

□ 2020

Mr. CLINGER. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore. (Mr. LAHOOD) having assumed the chair, Mr. BOEHNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2) to give the President item veto authority over appropriation acts and targeted tax benefits in revenue acts, had come to no resolution thereon.

PERMISSION FOR SUNDRY COMMITTEES TO SIT ON TOMORROW DURING 5-MINUTE RULE

Mr. GOSS. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule: the Committee on Economic and Educational Opportunities, the Committee on the Judiciary, and the Committee on Science.

Mr. Speaker, it is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. DOGGETT. Mr. Speaker, reserving the right to object, under that reservation let me say that we have consulted with the ranking members of each of the affected committees, and that following that consultation I think there is no objection. This pattern of consultation with the minority which has occurred here is an appropriate way of handling this. It will avoid the kind of problems we had the other night.

Mr. Speaker, with the understanding that there has been such consultation, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

SPEAKER GINGRICH ON FREQUENT FLIER PERK

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous material.)

Ms. MCKINNEY. Mr. Speaker, yesterday's Atlanta Journal and Constitution reported that my colleague from the 6th District of Georgia not only likes his frequent flyer perks, he also prefers to fly first class at the taxpayer's expense.

It appears that Government spending is only a problem for my colleague when it is used to help people who actually need it. While many people are scraping by on a minimum wage that makes welfare look attractive, they are supposed to take comfort in knowing that some in this body are using tax dollars for wide-body seats.

Mr. Speaker, the article referred to follows:

COMING UP

Today: Rep. Cynthia McKinney (D-Ga.) and Sen. Mark Hatfield (R-Ore.) reintroduce the "Arms Trade Code of Conduct," which would prohibit the government from selling or giving weapons to regimes that violate human rights or are undemocratic.

A quick look at today's activities involving House Speaker Newt Gingrich of Georgia:

SCHEDULE

8 a.m.: Speaks at Capitol Hill Club Headliner Breakfast.

10:40 a.m.: Regular morning news conference on C-SPAN.

2:30 p.m.: Speaks to National Association of Independent Colleges and Universities.

7 p.m.: Speaks to National Association of Wholesaler Distributors, receives national leadership award.

What fear of flying? New York Magazine says Gingrich, who has been battling to keep frequent-flier miles accruing from government-paid tickets, seems to be partial to flying first class.

The AJC reported that in the year and a half before assuming the speakership, Gingrich flew back and forth between Atlanta and Washington 125 times, traveling first class nearly half of the time. When accompanied by reporters and Delta chairman Ron Allen on a recent flight, says the magazine, he flew economy, boasting that he always travels that way. On the very next flight, he was back in first class, with its wide seats and free liquor.

Now he's in on Out: Gingrich's new fame and position have made him cover boy of a slew of magazines lately. In his latest such sighting, his smiling face graces the cover of Out, on newsstands today. The article, "The Newt Era: Is it good for the gays?" by Newsweek correspondent Mark Miller, considers whether Gingrich's recent statements about tolerance for homosexuals are "a small step in the right direction or an insidious act of political pragmatism."

□ 1020

The Constitution article goes on to say that GINGRICH flew back and forth between Atlanta and Washington 125 times, traveling first class nearly half of the time, but when accompanied by reporters and Delta chairman Ron Allen on a recent flight, he boasted that he always travels economy. On the very next flight he was back in first class with his wide seats and free liquor.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE LINE-ITEM VETO: WIN ONE FOR THE GIPPER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I quote from President Ronald Reagan's final State of the Union Address on January 25, 1988. He said at that time,

Let's help ensure our future of prosperity by giving the President a tool that, though I will not get to use it, is one that I know future Presidents of either party must have. Give the President the same authority that 43 Governors use in their states: the right to reach into massive appropriation bills, pare away the waste, and enforce budget discipline. Let's approve the line item veto.

We have the opportunity, hopefully by Monday, to pass that important legislation to reduce wasteful spending. On Monday it will be former President Ronald Reagan's birthday.

The line-item veto, together with a balanced budget amendment, constitutes the Fiscal Responsibility Act pledged by Republicans in the Contract With America. These two measures will work together to restore fiscal responsibility to an out-of-control Congress.

Every year, ridiculous projects and tax benefits are buried in appropriation bills and tax bills. It is clear from the writings of Madison and Hamilton in the Federalist Papers that the Framers intended a two-branch review of all laws, including appropriations. The line-item veto will restore the constitutional system of checks and balances over each individual appropriation, preventing future Congresses from effectively eliminating the President's veto authority through creative legislative packaging.

The States, the laboratories of democracy under our decentralized federalist system, have proven that the line-item veto works. State legislatures have recognized its effectiveness

as an important tool in restraining the growth of government.

The goal of the line-item veto is to allow the President to rescind pork-barrel spending. Pork-barrel projects are usually attached to bills of vital importance to the continued operation of the Government or bills that enjoy wide popularity. As such, the bill is assured of passage and the President's signature. All of this will change with the adoption of the line-item veto.

The years 1993 and 1994 saw plenty of wasteful appropriations that would have been targets for the veto pen if the President had been able to exercise that authority. These are just a few: Fifteen billion to build never-authorized courthouses opposed by the Federal judges in the region where they were to be built; $1.1 million for a plant stress lab; and $35 million to eradicate screw worms in Mexico.

I call on my colleagues on Monday to adopt this important legislation unanimously, a line-item veto, to help us restore fiscal responsibility to the United States of America.

SUPPORT HEAD START

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WATERS] is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker, in 1965 the Office of Economic Opportunity launched Project Head Start to help break the cycle of poverty. It provided pre-school children of low-income families with a comprehensive program to meet their emotional, social, health, nutritional, and psychological needs. In 1969, Head Start became a permanent program within the Administration on Children, Youth and Families at the Department of Health and Human Services. Since its beginning, Head Start has served over 13.1 million children and their families, representing all races, classes, and regions of this country.

After nearly 30 years, Head Start is being recognized by educators, child development specialists, community leaders, and parents across the Nation as the most successful publicly funded children's program there is. However, this program is now in jeopardy—it could be cut—it could even be eliminated.

The Republican Contract With America proposes to take Head Start out of the hands of local communities and make it a function of State child care block grants. This would be disastrous.

First of all, Head Start is not a child care program. Head Start is a comprehensive family-focused developmental program that addresses child and family needs. Head Start puts a premium on parent involvement by encouraging parents to participate in important program decisions. Head Start staff are members of the communities they serve, many are former Head Start parents. Program decisions are based on community needs, as defined by the community. Block granting Head Start would undo local control of addressing unique community needs. At a time when so much emphasis is placed on personal and family responsibility, it is more important than ever to have a program that is family-oriented. By lumping Head Start with other children's programs, the focus on families will be lost and important elements such as parenting skills, male involvement, literacy, and employment skills would be compromised.

Mr. Speaker, I have received numerous letters from concerned parents and educators urging this Congress not to destroy the Head Start Program. Many parents have shared their personal experiences with me. They tell how Head Start has helped their families, how they have learned to be advocates for their children. Many of these parents started out as volunteers with their local Head Start Programs and went on to become permanent employees. I think these are the stories that we need to hear.

Head Start must remain in the hands of local communities to ensure that important program elements are maintained. Head Start makes it possible for millions of children to look forward to a better future. To change the program now will close the door of opportunity on millions of children yet to step through a Head Start classroom door.

Head Start is an investment in the human potential of children—children who often fall behind in their first years of school and find their troubles compounded in later years. These children belong to all of us; they are the children of the Nation. We must preserve Head Start as a Federal to local program. We can no longer afford to sit back and hope that logic and sense of what is right will prevail. We need a national mobilization around Head Start, a coming together of parents, educators, community leaders, and public officials. A national mobilization that will transcend the traditional political process. Together we can make a difference. Let's not turn our backs on our children.

□ 2030

CHILD SUPPORT ENFORCEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, tonight I want to discuss an issue that I believe is critical to successful welfare reform. That is the whole issue of child support enforcement.

The interests of our children must come first in welfare reform. We cannot look out for those interests unless we demand more responsibility from their parents, especially in the area of child support.

Our country's failure to adequately collect child support has had a devastating impact on our children. The statistics are startling. Sixty-three percent of noncustodial parents do not pay child support. In 1989, only 37 percent of the almost 10 million custodial mothers caring for children under 21 received any child support. And currently only $14 billion of the $48 billion in child support payments is being paid each year, leaving a gap of $34 billion uncollected. Just think of the basic needs of these children that are not being met, adequate housing, proper clothes for school, healthy meals at the dinner table, things that all of us take for granted.

In my home State of Connecticut, failure to pay child support is the greatest cause of poverty among single parent families. Child support delinquencies in Connecticut exceeded $475 million in 1993 alone. Only 40 percent of families with child support orders in the state actually received payments.

I recently met with a group of mothers who told me horrific stories about the choices that they are forced to make because their ex-husbands refuse to honor their court-ordered child support payments.

One woman works a full-time day job and three part-time jobs at night, because her ex-husband has not paid child support in 12 years. She still finds herself falling behind, and she broke down one day in a grocery store because she had only $40 with which to buy 2 weeks' worth of groceries.

Another woman has been working four jobs for 14 years in order to support her children. She has taken her ex-husband to court more than 100 times to force him to pay child support.

These hard-working women, through no fault of their own, are just one step away from needing public assistance to support their kids. All because their children's fathers are refusing to pay what they owe.

It should not be this way. It should not be this difficult for hard-working single parents to provide for their children. Every child has two parents, and both of them should be required to live up to their financial responsibility.

Unfortunately, many do not, resulting in increased rates of childhood poverty and AFDC enrollment. And that is why the issue of child support enforcement must be addressed in the context of welfare reform.

The best welfare reform of all is reform that keeps parents and children from needing government assistance in the first place.

I want to send a clear message tonight, that when it comes to welfare reform, a solution that does not include tough child support enforcement is no solution at all.

The Republicans Contract With America falls woefully short. The contract calls for stepping up child support collection, but it neglects to include any worthwhile means of improving child support enforcement. It takes a step in the right direction with a paternity establishment provision that requires States to establish paternity in 90 percent of their AFDC cases, but it is not enough.

I believe the paternity establishment is an essential step toward enhancing child support collection. That is why we fought for provisions in the Budget Reconciliation Act of 1993 to encourage more voluntary in-hospital paternity programs. To truly improve child support collection, legislation is needed that will: First, work to establish child support awards in every case; second, to ensure fair award levels, and; three, to collect the awards that are owed. We also advocate changes in the law that will penalize noncustodial parents for failing to meet their child support obligations.

It is my hope that the Republicans will prove to be open to these kinds of changes and suggestions. I look forward to the subcommittee's meeting and hearing on Monday, and I look forward to working with my colleagues on this very important issue.

I hope that our motto for welfare reform, besides rewarding work and responsibility and allowing people to go to work to do that and to get off welfare, but that we will put our children first.

CRIME LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. BARR] is recognized for 5 minutes.

Mr. BARR. Mr. Speaker, I am very pleased and proud to report that the Committee on the Judiciary today concluded work after 3 days of markup and several days of hearings earlier in the month of January on a very important component of the Contract With America. And that is a series of pieces of legislation that will correct many of the deficiencies, serious deficiencies that were contained in last year's so-called anticrime bill, and go beyond that bill in many important respects.

This bill, for example, Mr. Speaker, says that no longer will police have their hands tied in cases where there may be a technical violation, an unknowing violation of certain constitutional provisions. But if they, in good faith, rely on objective information and can satisfy a magistrate or a court of that reliance objectively, that the evidence will go in and that individuals who are guilty will not be back out on our streets.

Further, Mr. Speaker, this new crime bill which will make its way to the floor, hopefully next week, and receive the imprimatur of this great body, says, no longer will our death penalty system be the laughing stock of this country, that for the very first time in many years people can look up to that system and say, yes, it does mean something.

Habeas corpus will no longer be abused in our Federal system.

□ 2040

The system will work better for the people, for the victims, and for all of us.

Mr. Speaker, this crime bill says that those in a position to know what our law enforcement needs are in our communities all across this land, that those who are in a position to determine how best to meet those needs, will in fact once more be in charge of meeting those needs insofar as Federal moneys coming back to the States and the local governments are concerned.

No longer will we have, as we had under the crime bill passed last year, a smoke and mirrors approach to law enforcement whereby we heard that 100,000 police officers will be on the streets, are on the streets, and will remain on the streets, because we know out on the streets that that was not true. It is not true, and it would not be true.

This crime bill, Mr. Speaker, these crime bills that will make it to the floor, and which the Committee on the Judiciary, under the leadership of Chairman HYDE, concluded action on today, takes those Federal moneys, which are indeed the taxpayers' moneys of this country, and turns them back to the States and the local governments and says:

> We recognize that you must determine, you are in the best position to determine, how those funds ought to be spent, how your needs in your community ought to be met to further the objectives of law enforcement and prevention.

It does this, Mr. Speaker, through a block grant program.

Further, Mr. Speaker, it goes on to say:

> In the area of incarceration there are two and only two ways to ensure that those who deserve to be in jail are in jail and remain in jail. More prisons must be built, and this bill provides substantial funds to States to build more prisons, if in fact the States have shown through a history of reforms in their sentencing systems that more people are being incarcerated, according to their laws, and for longer periods of time, according to their laws.

This bill also, Mr. Speaker, says that in those cases where States make significant progress toward instituting a system of incarceration and sentencing whereby inmates serve a full 85 percent, at least, of their sentence, which, after all, reflects not only the will of the people but the will of the juries and the will of the judges, that they will be eligible for additional grant moneys to build those prisons.

Mr. Speaker, this is a realistic crime bill. Mr. Speaker, this is not smoke and mirrors. Mr. Speaker, this is a series of legislative proposals passed by the Committee on the Judiciary with input from very learned experts from all across this country, with substantial input from Members of this great body on both sides of the aisle that deserves careful attention, that deserves the votes of this body, so that it can get back to the decisionmakers in our communities what they need.

That is the power to determine whether those moneys, not in the view of some bureaucrat in Washington but in the view of the elected officials and law enforcement officers in their community, should be spend on one program or another, prevention, law enforcement.

That, Mr. Speaker, is precisely, is precisely, Mr. Speaker, why the results of the election on November 8 were so profound. The will of the people has been heard. It was heard in the halls of the Committee on the Judiciary this week, and will indeed result, I hope, Mr. Speaker, in passage of these important crime measures in just a few days ahead.

SUPPORT THE CHILD RESPONSIBILITY ACT, MAKING BOTH PARENTS RESPONSIBLE FOR CHILD SUPPORT

The SPEAKER pro tempore (Mr. LAHood). Under a previous order of the House, the gentleman from Massachusetts [Mr. OLVER] is recognized for 5 minutes.

Mr. OLVER. Mr. Speaker, I, too, rise tonight to speak about that critical aspect of the welfare reform that is overlooked by the Contract With America. I'm talking about child support.

The contract spells out the exact punishments for women on AFDC. Women under 18 will be ineligible for assistance if they have a child out of wedlock. Women will not receive additional benefits if they have another child while on welfare. Women will be forced off welfare after 2 years, whether or not they have found employment or completed a training program.

Is this a personal responsibility act, or a female punishment act? Not once is the responsibility of the father mentioned in the contract. In fact, the only mention of fathers denies public assistance to the child if paternity is not established. That is an astonishing oversight.

Today, as the gentlewoman from Connecticut [Ms. DELAURO], has already pointed out, 63 percent of absent parents contribute no child support. Out of the $48 billion which should be paid annually only $14 billion is actually collected. Millions of families could escape welfare if only they received the owed child support.

The child support enforcement system in my State of Massachusetts is a

model for successful collection. In the 1980's, then Governor Dukakis made child support payments a top priority. Governor Weld built on that foundation the toughest, most streamlined child support collection system in the country.

Massachusetts has been able to effectively garnish the wages, bank accounts, unemployment claims, and the lottery winnings of child support avoiders. In the last 6 months, these new laws have helped 4,000 families escape AFDC and saved Massachusetts $38.5 million.

The Massachusetts system is effective because it is centralized and uncomplicated. Only one office deals with child support payments, and there are no forms to fill out. But this system works best if the noncustodial parent lives and works within the Massachusetts border. If the parent has crossed State lines, the support order is unlikely to be paid.

We need a national system of child support. We need more cooperation and coordination between States. We need to create a national registry of child support orders.

Tougher child support enforcement is a concrete way to achieve personal responsibility of fathers for the children they conceive. Under the contract, fathers remain totally unaccountable, while mothers must sacrifice and are subjected to sometimes harsh reforms.

This is a clear double standard that I urge my colleagues in this Congress to rectify. Our support of the Child Responsibility Act would show that we believe both mothers and fathers should be held responsible for the economic well-being of their children.

OPPOSITION TO THE MEXICAN BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I rise to once again voice my opposition to the Mexican bailout, and especially to the way in which it is being done.

I have frequently said that today we have a Federal Government that is of, by, and for the bureaucrats, instead of one that is of, by, and for the people. But even I did not realize how little control the people of this Nation now have over their own National Government.

Once again we see the arrogance, the elitism, the public be damned, Big Brother knows best attitude of the powerful people who run this Government.

Because of the overwhelming opposition of the American people to this Mexican bailout, the President did what has been described as an end run around Congress.

Apparently, he found that the votes were not there, even though the politically correct vote, the "anything to gain the approval of the national media vote" would have been to be for this bailout.

So the President and the big financial powers decided to come up with a plan that did not require congressional approval. This means that our Government is sending billions to Mexico even though everyone knows the vast majority of our people are opposed to it.

This is the most undemocratic—with a small "d"—thing I have seen during my slightly over 6 years in Congress. It flies in the face of the will of the American people.

Big Government liberals have long had the belief or philosophy that Government knows best—that the people really don't know how to run their own lives or spend their own money.

This latest action—sending this money to Mexico—is just another example of big government spending the people's money in a way that most Americans do not want. And boy are we talking money here—billions, with a "b."

A few weeks ago, through the Treasury Department and the Federal Reserve, we provided $9 billion of an $18 billion package to prop up the peso. That wasn't enough.

Now, the President has announced he is taking $20 billion from the Exchange Stabilization Fund, even though this money was designed to stabilize our own currency and even though it has never before been used to prop up the money of a foreign country.

Also, we are using $20 billion of the $25 billion in this fund, thus placing our own money in a less secure status.

In addition, Mexico will receive $17.8 billion from the International Monetary Fund, the largest loan in the Fund's 50-year history. Who is the largest contributor to the IMF? The U.S. taxpayer of course.

Then we are sending $10 billion more from the Bank for International Settlements.

Billions and billions and billions—and all this at a time when the Heritage Foundation says Mexico already owes us over $70 billion that they cannot now and probably never will repay.

The big Wall Street and International investors bought Mexican bonds paying 25 and 30 percent interest rates. They certainly did not share their profits with U.S. taxpayers, but now they want us to protect them from losses for their foolish risks.

Even a liberal like A.M. Rosenthal, the New York Times columnist, has come out strongly against this deal.

Last Friday, he wrote:

> Could it be that the administration had so enthusiastically promoted Mexico that it would have been terribly embarrasing—an election coming up and all—to disclose that Mexico "suddenly" could not go on backing up its pesos and bonds unless the United States offered heavy loans to bail out investors?

And then he wrote, while we were still talking about just $40 billion in loan guarantees—instead of the more lavish deal we now have:

> Economic aid is often justified, but not 40 billion dollars to a country whose mess was created by the cowardice of bureaucrats and the mistakes of investors, theirs and ours. Americans would be foolish—I am being exquisitely polite today—if they agreed to any loan before they found out which American and Mexican investors would be the big beneficiaries.

Once again, Mr. Speaker, our Federal Government has shown that only the rich, the powerful, the wealthy, and those who work for the Government truly benefit from Big Government.

In the meantime, our taxpayers get the shaft—they are left holding the bag—this time for a wasteful Government in Mexico, whose economy has been ruined by years of socialism.

We probably cannot stop this now, but we would if we were truly listening to the citizens we are supposed to be representing.

□ 2050

PERSONAL RESPONSIBILITY ACT THREATENS SENIOR NUTRITION PROGRAMS

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from Texas, Mr. GENE GREEN, is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker. I rise again tonight to discuss some of the effects of the Personal Responsibility Act on the nutrition programs, specifically the senior citizens nutrition programs.

Yesterday, during a hearing on the Personal Responsibility Act in the Committee on Economic and Educational Opportunities, of which I am a member, there were six witnesses, five representing local community groups, and all were against title V of the bill which deals with all our Federal nutrition programs. Title V repeals every Federal nutrition program and then block-grants the funds after severe cuts. Under this repeal of our nutrition programs, the State of Texas would lose over $1 billion in 1996 alone.

One member of the committee questioned the constitutional basis for providing nutrition and actually said it is not a Federal responsibility, and he quoted the Constitution.

Well, we all may need to reread our Constitution because where I see it in the Preamble, it says to provide for the common defense and promote the general welfare, and that is included in nutrition.

If the Republicans are holding the defense budget sacred and even increasing it because it is protected under the Constitution, at the very minimum nutrition programs should also be protected from these draconian budget cuts.

After November 8 of last year, many people called for Congress to become result-oriented. The PRA, or the Personal Responsibility Act, will result in 800 seniors going hungry every day in the city of Houston.

I hope and I pray that the PRA, the Personal Responsibility Act, was not designed to deny senior citizens their Meals on Wheels but that will surely be the result.

Let me repeat. If the PRA is passed in its current form, there will be over 800 hungry seniors in or around the district that I represent in Houston, TX. Not only will seniors go hungry, but on page 74 of the PRA, it requires seniors under the age of 63 and not disabled to work for their food.

The Older Americans Act allows any senior over 60 years of age and their spouse, regardless of age, to receive one meal a day. Would this Personal Responsibility Act repeal that law? I believe so.

What we will see, and I will show this sign, is that we will have seniors saying I will work for food, and that sign will be traded in every day with an affidavit from that senior to the State swearing that they will work at least 32 hours a week for that one hot meal. This is ludicrous.

I would hope that the committees, and I serve on one of the committees, will have better judgment than to pass this bill, particularly title V.

Stalin may have done this to the Soviet seniors, but not us. This would mean at least 35 people would be barred from a hot meal at the Magnolia Multi-Purpose Center in Houston, TX. And simply on the work requirement alone. So between 60 and 63, they have 35 people who today enjoy a hot meal that would have to either carry this sign or turn it in with an affidavit saying they will work.

Should there be budget responsibilities? Of course, yes. Should there be administrative reduction? Yes. Should there be lonely, hungry seniors in the breadbasket of the world? No.

We must take a look at this title V in the Personal Responsibility Act contained in this Contract With America to see that it is a contract on our seniors to remove the nutrition programs.

WOMEN AND GIRLS IN SPORTS DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

PERSONAL RESPONSIBILITY ACT

Mr. KINGSTON. Mr. Speaker, I am glad, listening to the Democrats, that they are finally getting off NEWT GINGRICH and talking substance on the contract but as usual it is mostly specious emotional arguments hardly based in reality and it would seem incredible to me for somebody to say that the Contract With America is going to mean that 800 senior citizens in his own district would be going hungry.

I find it incredible that the gentleman who is an elected Member of Congress would take such a tactic and one of such stature at that. I hope that in the future we can have a more honest dialog.

Mr. GENE GREEN of Texas. Will the gentleman yield?

Mr. KINGSTON. I would be glad to yield time, but I have to make a statement on something else. Then if we run out of time, if perhaps someone on your side would yield time, I would like to engage you, because what I would like to talk about is entirely off the subject. But I did feel it was appropriate to react to that, which of course is why we are here, to have good substantive debate on subjects.

Mr. Speaker, what I want to talk about, something that happened on the mall outside of the Capitol this morning, and that was a celebration of National Day of Women and Girls in Sports. This was an important event for many reasons. There are so many different activities that go on in Washington that often we say, oh, that's just one more demonstration, so to speak.

Today in high schools, 38 percent of the girls are participating in athletic programs. That is up from 24 percent 10 years ago. But I think the real story is actually in the elementary schools. The young girls are participating in sports. They are flooding the soccer fields. They are on the tee ball and baseball diamond. They are running out on the basketball courts, and all the other traditional boys' arenas now have young ladies playing.

Indeed, those of us who are fathers look forward to watching our girls just as much as fathers with sons look forward to watching their boys. I want to emphasize also that this is a national trend. This is not going to be stopped or end at the county recreation level. These young ladies will grow to be women who are athletic and they are going to take the sports with them throughout junior high, high school and college, and hopefully professional.

We will, I believe, 20 years from now go to see women's soccer games and women's basketball games with the same alacrity and the same enthusiasm and the same vigor that we are now seeing in men's sports. I think it is important for us as a country to realize that.

I say that one of the best benefits of this is that for those of us who are maybe a little shell-shocked after the Super Bowl wondering who is going to go on strike next, that we are tired of the overgrown, pampered, greedy, self-indulgent millionaire prima donna players and owners who dominate our national pastime. We are sick of it. These striking athletes have built an empire which is collapsing under the weight of their own grandeur.

I think it is time to open up the system, end their monopoly, and let the girls on in. I am glad to see it.

PERSONAL RESPONSIBILITY ACT

Mr. Speaker, I yield to the gentleman from Texas so we can get back to our dialog.

Mr. GENE GREEN of Texas. Mr. Speaker, I appreciate the gentleman yielding.

I agree this is why we are here and to talk about the issues. I had not had an opportunity to read the Personal Responsibility Act or deal with it until we had the hearings yesterday.

We had six witnesses, five of them called by the majority side and one of them called by the minority side. Of those five, and that is what I said, that of those six witnesses, five of them asked that that be changed, that that PRA or the Personal Responsibility Act that deals with senior citizens nutrition.

They also asked for the school lunch program and breakfast program to be changed because the witnesses even called by the majority side said that that is wrong that we are cutting off food to children and some of the programs that have been developed over both Democrat and Republican administrations. But we used the testimony from the hearing yesterday and I called some senior citizens sites in my district and said, okay, just one provision of it that says that if you are under the age of 63, how many people are served in the Magnolia Multi-Purpose Center in Houston that are under the age of 63 and not disabled.

□ 2100

They told us, they said that this is the number we serve. They actually serve 35 people who are not classified as disabled and under the age of 63. The gentleman can look at the bill itself. It states if you are under 63, not disabled, you have to agree to work, or sign an affidavit to say you are working.

Mr. KINGSTON. Reclaiming my time for the purpose of asking a question, I am not sure about the details of that, but if I am hearing the gentleman correctly, he is saying if somebody is 63 years old and in good physical shape and able to work they are entitled to a free meal just because of their age.

The SPEAKER pro tempore (Mr. LAHOOD). The time of the gentleman from Georgia [Mr. KINGSTON] has expired.

Mr. GENE GREEN of Texas. Maybe next week we can continue this dialog.

INCREASING THE MINIMUM WAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I support welfare reform. Reform of our welfare system is best accomplished by rewarding work—by making work a prize rather than a penalty.

Work is a prize when a full-time worker can earn enough to pay for life's necessities.

Work is a penalty when a person can achieve a better quality of life when getting public entitlements rather than holding a job.

That is why any discussion of welfare reform, must also include a discussion of other reforms. One such reform is minimum wage reform.

Contrary to a popular misconception, most minimum wage earners are adults, not young people.

And, many of the minimum wage workers are from rural communities. In fact, it is twice as likely that a minimum wage worker will be from a rural community than from an urban community.

The most disturbing fact is that far too many minimum wage workers have families, spouses and children who depend on them.

That is disturbing, Mr. Speaker, because a full-time worker, heading a family of three—the typical size of an American family today—and earning a minimum wage, would fall below the poverty line by close to $2,500 dollars. Imagine that.

In this country, a person can work, every day, full-time, and still be below the poverty level. Work, in that situation, is a penalty.

A review of the history of the minimum wage is revealing. First implemented in 1938, with passage of the Fair Labor Standards Act, the minimum wage covers ninety percent of all workers.

Between 1950 and 1981, the minimum wage was raised twelve times. During the 1980's, however, while prices were rising by 30 percent, Congress did not raise the minimum wage. Increases in 1980 and 1991 brought the wage to its current level, but did not bring it level with the cost of living.

In 1980, during the period when there were regular increases in the minimum wage as costs rose, a worker, with a family of three, earning a minimum wage, would have been above the poverty level. Work, in that situation, is a prize.

Enlightened economists and most recent studies now conclude that, increases in the minimum wage produce no significant changes in employment either up or down—among low wage firms.

Raising wages does not mean losing jobs. A recent, comprehensive study dramatically demonstrates this conclusion.

The State of New Jersey raised its minimum wage to $5.05. Its neighbor, the State of Pennsylvania, kept its minimum wage at the required level, $4.25.

According to the study, the number of low-wage workers in New Jersey actually increased, following the increase in the minimum wage, while the number of low-wage workers in Pennsylvania remained the same. Those are compelling results.

Since April, 1991, the minimum wage has remained constant, while the cost of living has risen, yet another 11 percent.

When costs go up and wages remain the same, the effect is that disposal income declines.

In other words, the ability of a minimum-wage worker to shelter, feed, and clothe his or her family becomes more and more difficult.

If, while working full time, a person has difficulty paying for housing, food, and clothing, the basic necessities, he or she can become discouraged.

The minimum wage affects many workers in America. More than 4 million individuals—6.6 percent of the labor force—worked at or below the labor force in 1993.

Another 9.2 million workers earned just above the minimum wage.

Mr. Speaker, it should interest us to know that most of the minimum-wage workers are women.

In fact, three out of every five or 62 percent of the minimum-wage workers are women. And, minimum-wage workers are more likely to be poor.

Last Congress, we expanded the earned income tax credit, and that helps those families who battle poverty each day.

But, that tax credit, according to the Center on Budget and Policy Priorities, does not go far enough to reach down and bring the minimum-wage workers out of poverty. We must do more.

When a person works, he or she feels good about themselves. They contribute to their communities, and they are in a position to help their families. Work gives a person an identity.

Our policies, therefore, should encourage people to work. We discourage them from working when we force them to work at wages that leave them in poverty.

Soon, Congress will have the opportunity to raise the minimum wage. Let's make rewarding work and wage reform an essential part of welfare reform. Let's encourage people to work. And, let's insure that they can work at a livable wage.

Let's raise the minimum wage.

CLEAN WATER ACT AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FILNER] is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, today my colleagues and I from San Diego introduced a bill to amend the Clean Water Act to allow San Diego to treat it sewage in a cost-effective and environmentally sensitive manner.

This has been a long fight for many of us. I have been fighting against nonsensical Fed requirements for more than 6 years.

These efforts began when I was a member of the San Diego City Council. During this time, I often found myself on the losing end of 7 to 2 votes—because a majority of my city council did not want to challenge the Environmental Protection Agency. But I was convinced—by my own research and the testimony of scientists from the prestigious Scripps Institution of Oceanography—that San Diego was already doing the right thing for our environment.

By 1992, my colleagues on the San Diego City Council came around and agreed with my position—that the requirement to upgrade the Point Loma treatment plant to secondary standards was ridiculous.

When I first ran for Congress, I promised to solve this sewage problem. And one of the first bills I introduced as a freshman in the 103d Congress was H.R. 3190, which is very similar to the bill that five of us introduced today.

But, unfortunately, here in Congress, I also met with resistance. I was told other cities were required to meet the secondary treatment standards, why should San Diego be treated differently?

I made it clear that my bill would in no way compromise the integrity of the Clean Water Act. In fact, by amending the law with common sense changes based on science, my legislation would ensure that the Clean Water Act had the flexibility needed to deal with unique situations and at the same time protect America's waters.

Mr. Speaker, let me explain. Existing law requires every city—regardless of environmental conditions and circumstances—to treat sewage at the secondary level. Yet scientific studies have proven that sewage treated at the chemically enhanced advanced primary level of treatment used by the city of San Diego, which removes over 80 percent of suspended solids in the sewage and discharges the treated effluent more than 4 miles out to sea at depths greater than 300 feet, does no environmental harm. In fact, eliminating power-consuming secondary treatment and the additional sludge it would produce would spare the environment from pollutants associated with wastewater treatment.

The city of San Diego is blessed with unique environmental conditions. The Continental Shelf drops off very sharply from the California coast. There is a very active ocean current. It also has an ocean outfall that is specifically engineered to maintain its surrounding waters so that our citizens can swim, fish, or boat with total confidence in our water quality.

By the end of the last session, my colleagues in the Congress agreed with

my position and unanimously passed my bill to allow San Diego to apply for a waiver from the requirements of the Clean Water Act. And I have every confidence that this Environmental Protection Agency will approve San Diego's application for a waiver.

So why introduce another bill? Because this new legislation will ensure that San Diego will not have to jump though any more regulatory hoops.

Mr. Speaker, it costs more than $1 million to prepare an application for a waiver—and these waivers are temporary. The waivers are only good for a 5-year period. What is to prevent another administration from reversing its position and unilaterally trying to force San Diego to spend billions of dollars in unnecessary upgrades to its sewage treatment system? After all, history shows that the two previous administrations vigorously pursued such a lawsuit against San Diego.

There is scientific proof that this legislation is good environmental policy. Scientists from the highly respected Scripps Institution of Oceanography have concluded that upgrading from advanced primary to secondary treatment—the treatment required by current law—would have virtually no positive impact on our ocean's ecology.

In other words, the incredible costs for a small incremental increase in the purity of wastewater discharged into the ocean could not be justified by any measurable environmental gain.

I have led the fight against this unnecessary requirement since the time I served as a member of the San Diego City Council—that's over 6 years now. Today's action is the first time that the entire San Diego congressional delegation has united in this effort. And I applaud my colleagues for making this amendment a priority.

I hope that all of my colleagues in the 104th Congress will agree with us.

As this regulatory dance comes to its grand finale, the big winner will be the ratepayers of San Diego.

□ 2110

THE LINE-ITEM VETO DEBATE

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I am going to speak tonight on the item that has been under discussion so much today, which is the line-item veto debate, and I want to say starting out that I have consistently supported for a number of years a modified line-item veto.

I voted on it at least twice in this House; I voted for it. This House passed a modified line-item veto twice last session of Congress. It died in the other body.

I will be offering, along with the gentleman from South Carolina [Mr. SPRATT] and the gentleman from Texas [Mr. STENHOLM], a substitute to the bill that is here before the committee, a substitute to the Republican version of a modified line-item veto.

Let us make clear what the goals are for all of us in dealing with a line-item veto discussion. The goals are twofold. First of all, the President be able to veto items in an appropriation bill that he or she thinks are unacceptable and send them back to the Congress for a vote up or down.

The second goal is that all Members be held accountable and must be forced to vote upon this veto.

The present system says that the President can rescind an item, that is, he can line-item it out, but that in order for it to go into effect, the Congress must act affirmatively. It must, both Houses, must act and vote "yes" in order for that to be preserved. The reality is that the Congress rarely takes a rescission up that the President sends in that vein, and it dies for failure of the Congress to act.

In both cases, the Republican version and the substitute that we will be offering, the Congress will be forced to vote upon this within a certain time limit. I think it is important to note that there are some letters flying around and discussion, is on an enhanced rescission, is on an expedited rescission. The fact of the matter is that whatever the policy wonks may call it, in both cases, the Republican version and our version, you are talking about a modified line-item veto, not a constitutional amendment, but a change in the statute.

Now, where are the differences? The differences are very clear. The difference is that at the end of the day after you go through the procedural hoops that each bill has, or the procedural requirements would be better stated, at the end of the day the Republican version requires two-thirds majority in order to overturn a rescission; in other words, it takes two-thirds of the Congress to say to the President, "We do not agree, and you cannot take that item out."

What that effectively does is to give control of the Congress to one-third-plus-one, a minority.

My version, the Spratt-Stenholm-Wise version, takes the other tack, which is to say it requires only a simply majority in order to defeat a rescission, and so the Congress must vote, but the majority rule is preserved, and a minority does not control the appropriations process.

Now, some argue that this really does not make any sense, that since a half of the Congress already voted for the total appropriations bill in which the offensive item was included, that, therefore, why should anyone expect that the Congress would reverse itself, that that majority would reverse itself? The answer is very clear: An appropriations bill that leaves here, a total appropriations bill, is a large package. It has many separate items in it, and sometimes you will vote for the entire package, because overall it is desirable even though there are individual items you disagree with.

What we are saying is that now when it comes back and the President has line-itemed out that offensive item, that now you can expect the Congress to take a fresh look at it, particularly since the Congress knows, every Member here knows, that their constituents at home are looking to see how they voted on this specific chance to cut the deficit and to cut the budget.

What is the significance of the difference between the Republican version and our version in terms of the two-thirds required to overturn versus the majority? It is very simple. It is one-third-plus-one. You believe that one-third-plus-one, a minority, ought to be able to control whether or not an item is preserved or not. I think that is too great a shift. The reality is almost no rescission by the President will be overturned.

Some may say, "BOB, you may be concerned about an item in West Virginia that would be line-itemed out." Certainly. But I think that if I can come to the floor and convince the majority of Members, the simple majority, that it is in the country's interest and it is a valid item, that it should be preserved.

Today it may be my problem. Tomorrow it may be somebody else's problem. Those of you from defense industry States, for instance, may feel some concern about what happens to military installations and defense projects that are so important, knowing that one-third-plus-one and an unsympathetic President, whoever, whenever that could be, could completely play havoc with your particular concerns.

This is a majority-rule country, 50 percent, and so I would simply ask Members to look closely at the Spratt-Stenholm-Wise substitute that will be offered, and I might add as well, that the gentleman from South Carolina [Mr. SPRATT] and the gentleman from Texas [Mr. STENHOLM] will be offering an additional amendment should our substitute fail. We will be offering an additional amendment that would simply add the provisions of this legislation to the existing Republican version in case the provisions of the Republican version are struck down as unconstitutional or should the President choose to follow the process that we have outlined versus the one that the Republican version outlines.

Let me also, as I finish up, reassure everyone in both cases you are guaranteed a vote in this Congress. You do not get away from that, and no Member gets away from having to go on the record, and in our case, it is usually 10 days from the time that the President submits that rescission to Congress.

I urge Members to take a close look and to vote for majority rule in this process.

EXPRESSING CONCERN FOR OUR MILITARY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Maine [Mr. LONGLEY] is recognized for 60 minutes as the designee of the majority leader.

Mr. LONGLEY. Mr. Speaker, it is a privilege and an honor to be part of this historic 104th Congress and to actively participate in one of our most sacred and basic responsibilities, insuring that the military forces of our country are prepared to fulfill any task, defeat any threat, and perform any mission their civilian leadership calls upon them to execute.

While this responsibility falls to every Member of Congress, I am especially pleased to have the additional honor of serving on the National Security Committee, formerly the Armed Services Committee. This committee assignment gives me the unique opportunity to examine our military and its overall capabilities to fulfill its missions in detail.

This will be a challenging assignment, but we have the wisdom and the very capable leadership of two veterans of this committee to guide us, first, the gentleman from South Carolina [Mr. SPENCE], the chairman of the full committee, and the gentleman from California [Mr. HUNTER], the chairman of my subcommittee, the Procurement Subcommittee.

Mr. Speaker, I am concerned today for the ability of our military to perform the many tasks we require of them, given the drawdown of our forces and the precipitous decline in funding over recent years. Any inability to perform missions is, I must stress, not for the lack of dedicated, professional, capable American men and women in uniform.

I am concerned that we, as a Nation, and specifically as a Congress, have not given our military the tools, the training, the equipment, and the support they need in recent years commensurate with the missions we have given them.

That is why I am looking forward to the committee hearing process this year. It will give me and my colleagues the opportunity to judge exactly the state of readiness that currently exists in our forces and that we need to do to restore the level of efficiency and readiness we think is desirable.

In examining the state of readiness of our forces, I think certain basic elements are guideposts. First, the quality of life for our service men and women and their families must be high, especially since we ask them to perform long hours often away from home for months at a time.

Mr. Speaker, I have been privileged to serve as a member of our armed services, particularly amongst the first marines and rangers assigned to northern Iraq during Operation Provide Comfort in the days in the aftermath of Desert Storm, but I am also proud to have served with soldiers, sailors, airmen, and marines over a period of time both on active duty and as a reserve officer, and I can personally vouch for the high quality and standards under which they serve.

Our forces, No. 2, must have adequate, realistic, comprehensive training to professionally meet the many challenges they face in this still very dangerous world.

□ 2120

No. 3, they must have adequate spare parts and equipment both to train realistically and to engage in potentially hostile missions.

No. 4, we need modern equipment. It is essential, as we cannot afford to stop the replacement of equipment to meet the ever sophisticated battlefields and threats around the world. We need our equipment ahead of time, not in the middle or after the fact because at that point it is too late.

No. 5, we need a sound ability to deploy our troops to crises around the world and especially as our force structure declines. It is key that we maintain an ability to influence world events through the rapid deployment of men, women, material and equipment in situations that affect our national interests.

Our military forces have taken the brunt of budget cutting for too long. It is clear that statistics are now indicating that our level of defense spending has now reached amongst the lowest level since since prior to Pearl Harbor. for a Nation of our size and economic significance it is time that we question whether in fact we are devoting the resources that we need to the crises that we may be asked to confront.

I think this is not a blank check. I think defense is on the table as we look at the budget, along with everything else other than Social Security. But I think we have to examine carefully our needs and be prepared, if necessary, to devote the budgetary resources necessary to insure military success in any contingency.

Toward that end I look forward to our committee work this year and will be working hard especially with my chairman, both the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. HUNTER] to do what is necessary.

I think it is also important that we establish the fact that in this new Congress defense is going to be receiving the same level of scrutiny as any other program in the budget. It is interesting that in the last 3 weeks, since this Congress first began to consider legislation, that our first major piece was the Congressional Budget Accountability Act, which held the Congress to the same standards that we hold the rest of the Government and the rest of the private sector.

Our next major piece of legislation was the balanced budget amendment. Just several days ago we passed unfunded mandates legislation. Again, in the course of looking at both the balanced budget amendment as well as the unfunded mandates legislation we were confronted with numerous requests. In fact, in the case of unfunded mandates nearly 160 different amendments that sought to carve out special exceptions from the unfunded mandate provisions of our legislation, the same type of opposition and exception was brought to the balanced budget amendment debate.

I mention that because this afternoon this House defeated an attempt to apply special provisions for the Defense Department under the line-item veto. That provision was defeated.

As a Congress we intend to stand behind principle, we intend to be consistent and we intend to confront the issues that we must confront in every area of the budget. It is on that basis that I feel very strongly that if we work and look realistically and honestly at the issues that confront us and the crises that we may be asked to confront, the needs of our defense will be self-evident and evaluated on the same basis as every other national priority.

Mr. Speaker, I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, I and a lot of other members of the Committee or Armed Services have been looking forward to listening to the gentleman from Maine talk about national defense because he has a special background of expertise, having been a Marine, having worked in Iraq during the post-Desert Storm period. He understands operational requirements and problems, he understand systems and he understands people, especially the people of the U.S. military. I look forward to listening to him tonight.

I might just say with respect to the dollars that are spent on national security, I saw an interesting fact when looking over the defense budgets that this House and the other body and the President have passed over the last 10 years or so. If you take President Clinton's defense plan and look at the 1998 projection and you compare that to the 1988 defense budget, the annual budget, and you compare them in real dollars; that is, in 1987 hard dollars, so you discount inflation, the national defense budget of this country, the annual budget in 1998 will be $100 billion less than the budget was in 1988.

So it is clear that this President has taken most of the budget cuts from national security.

I know the gentleman is a historian of sorts, that he has looked at military history and understands that after every conflict in recent times, World War II, Korea, Vietnam, and finally the closure of the Cold War, we have cut deeper and in worse ways than we should have. We have cut the wrong systems in many cases, and we have cut too deep and too soon.

I am reminded of General Marshall's words after World War II when he was asked how the demobilization was going. He said this is not a demobilization, this is a rout.

A few years later in Korea we were unable to stop a third rate military from marching right down the peninsula.

So I look forward to the gentleman's words. I think they come at a very important time in our history.

Mr. LONGLEY. Mr. Speaker, I appreciate the comments of the gentleman from California [Mr. HUNTER].

I think the gentleman has made some very important points. I am advised now that this fiscal 1995 budget is the tenth consecutive year of real cuts in defense spending and that we are approximately 35, as much as 40 percent below the level of spending in real dollars than we were in the 1986 budgets in the last several years of President Reagan's term in office.

What is very interesting is I am advised under the Bush administration that cuts proposed resulted in cuts of personnel of approximately 600,000, meaning not only cuts in the military but lost jobs in the defense sector, about 600,000, and that when we consider the current cuts proposed in the current administration's budget that could be 1.2 million jobs in this country.

You know, jobs are important, not only because of the fact that they give productive employment to our citizens, but they also represent some of the highest paying jobs in this country. But even going beyond that, this is about much more than jobs; it is about making sure that we have a strong national defense and that we are applying the resources that we need to meet the crises that we may be asked to confront.

Again, I am appreciative of the administration's effort to reinvent government. But it might interest our listeners to know that although the Department of Defense only comprises 40 percent of the civilian work force in this government, as much as 75 percent of the cuts in full time equivalent positions are occurring in the Defense Department in the area of defense.

I do not think that it is fair that the Defense Department is unjustifiably singled out, particularly given the level of commitments that we currently maintain.

There is also a more important point that needs to be made. Our defense budget, our resources must be in line with our commitments. There is a need for a balance. Our commitments cannot exceed our resources and our resources must be adequate to our commitments. But they have to be in balance, neither one can be out of line with the other because if we do not have the resources we need to cut back on the commitments, and by the same token if we make the commitments we have to make sure we have committed adequate resources to be able to fund our objectives.

I am advised that based on the administration's own bottom-up review two separate analyses of the bottom-up review indicate that the strategy that the administration is pursuing, including as it relates to the funding, is that there are discrepancies of everywhere. In the case of the General Accounting Office, there was an estimate that the defense was being underfunded to the tune of $150 billion. By the same token, the Congressional Budget Office made a similar estimate of between $65 billion and $110 billion underfunding. That means that based on the structural needs identified in the bottom-up review, based on our national defense strategy and the defense strategy and the threats that we could potentially face throughout the world, including the need to face two regional crises simultaneously, that we are not committing the resources that we need to meet the threats. In fact, there is some question not only whether or not we can confront two regional crises, but whether in fact we would be able to sustain a single major crisis.

□ 2130

Obviously we have got a level of commitment and dedication in our armed forces. I have every confidence that they are highly motivated and that they are doing the best to maintain their training and readiness, and I know that they are dedicated enough and will meet any mission that we might assign to them.

But again the underfunding, based on the commitments, the level of commitments that we seem to be seeing throughout the world, indicate to me that it is time for very serious reexamination, and I might mention, as I mentioned earlier, we passed the Congressional Accountability Act which is applying to the Congress the same standards that we apply to the private sector. We passed the balanced budget amendment in this House and sent it off to the Senate. Again we passed a clean amendment. We have protected no area of the Government from scrutiny that the balanced budget amendment will force. At the same time we have got unfunded mandates legislation that, in fact, we have specifically prevented the opportunity for anyone to carve out specific areas where the Congress could fail to have to take responsibility for spending or mandates that might be forced on our local and State government, and again, as I mentioned this afternoon under the line item veto, we are treating defense on the same basis as every other aspect of the Government.

I might mention that 2 days ago the House Committee on National Security, formerly the Committee on Armed Services, as I mentioned, worked up and marked up for forwarding to the House floor H.R. 7, the National Security Revitalization Act, and again it is important to know that we are following consistency and principle in the way we address these issues. H.R. 7 is an important first step toward restoring United States national security to the levels expected by the American people. It establishes a policy framework on national security issues, a policy framework that is designed to establish the threats that we face and provide a framework by which the party, the new Republican majority, and the Democrats in the Congress through the normal budget authorization appropriation process, can ensure that we are dealing adequately with needs of our defense and the resources that it might compel. But what is very significant is that this bill passed on a bipartisan vote of 41 to 13, again a very strong commitment from Members of both political parties behind a National Security Revitalization Act.

Several provisions that are also very important, some that may even be controversial or that will compel further public discussion, but we supported a requirement to deploy, to develop and deploy, theater and national missile defenses, a critical capability long neglected, and one of the issues that came up in committee and, I am sure, is going to come up on the floor of this House is that we are saying that it is time to eliminate much of the distinction, frankly the artificial distinction, that has been made between theater antimissile defense and national or ballistic missile defense. In fact the technology has advanced and accelerated to the point where the technology that we saw demonstrated so vividly during Desert Storm in fact can potentially be extended to prevent us against threats from intercontinental ballistic missiles. I recognize this is going to cause changes in national policy, but again it has become evident that the technology exists for missiles to be directed at this country, but simultaneously the technology also exists for us to find methods by which we can counter that threat to the innocent men, women and children of this country, and I think it is important to understand that.

I was also somewhat surprised to learn in the course of my studies on defense issues in the last several weeks

the important role that the Aegis destroyer program plays and might potentially play in the antimissile defense systems in terms of the role of not only the theater antimissile defense systems, but what this technology may represent in the future, and again these are issues that I am sure my own constituents may not even be aware of, but this type of technology needs to move forward, and I think that we are going to see that start to happen once the National Security Revitalization Act is moved forward and passed, hopefully, in this House.

We have also established provisions designed to limit the placement of the United States troops under United Nations command. We have asked, and this legislation will require, congressional prior authorization before military forces can be deployed for certain U.N. peacekeeping operations.

And finally, based on the threats that exist to us throughout the world, we have established a bipartisan commission that would consist of equal Members of both parties, appointed by the Speaker, appointed by the leadership in the Senate and by the President, that would be instructed to revisit the defense policy blueprint, the bottom-up review, to ensure that we adequately identify these threats that we face, the strategies that we need to confront those threats, the force structure that will be needed to implement the strategy and the resources that we will need to make sure that our force structure, equipment and readiness are to the standard that the American people expect.

I might mention and it might be appropriate to cover briefly many of the different commitments that we have, many of them that are recent in nature, and frankly I think that the expectation at the end of the cold war was—our experiences proved contrary to what we have actually seen in fact.

As my colleagues know, as I speak on the floor of this House we have forces in Cuba handling significant numbers of refugees. We have the same commitments in Panama. In fact, Mr. Speaker, I am advised that between the two different locations we have as many as 20 or 30,000 refugees being cared for by thousands of American men and women in uniform. We have nearly 7 to 10,000 forces in Haiti, and again those forces may be withdrawing shortly, but presently they are engaged in a very important mission. Some of us may have disagreed as to whether or not it was appropriate to commit those forces, but now that they are there we are a hundred percent committed to seeing that they have what they need to fulfill the mission they have been assigned.

Furthermore, we have commitments in Bosnia. In addition we have commitments in Kuwait in the Persian Gulf, and again the subtleties of defense policy are sometimes difficult to articulate, difficult to understand, but personally I am of the opinion that one of the reasons we were forced to commit forces to Kuwait in the Persian Gulf in the latter part of last year was based on the fact that we had undertaken commitments in Haiti and the interrelationship, if you will, between our military action in one part of the world and what it potentially signals to potential adversaries in other parts of the world in terms of their estimate of our ability to respond. And again this underlies the fact that it is imperative that our national defense be second to none and that there be no question in anyone's mind of our commitment and our willingness to do what we need to do to defend this great country and its interests overseas.

We are all familiar with what has been happening in North Korea. We have commitments in Rwanda in Africa. We still have commitments in northern Iraq, a part of the world that I was privileged to serve in. We have upcoming commitments in Somalia. I have not even discussed what is happening in Russia and the Soviet Union, the threat that potentially is represented in the Middle East arising out of the Chechnya rebellion, as well as the instability in the Middle East and Israel, the real concerns that many people have as to the peace process and again our need to project the level of strength in the Middle East and around the world that will make it absolutely clear that we will not be challenged by any adversary, again a number of serious issues, very expensive in nature, and part of the reason that I am very concerned that our forces are not only being committed extensively but whether we have got and in fact have devoted the resources that are going to be necessary to make sure that we maintain the level of defense posture around the world that, again, leaves no question in any adversary's mind of our ability to defend our vital interests.

I would like to end and spend the next several minutes not talking about abstract issues of defense strategy, or weapons systems, or funding, but I would like to talk a little bit about the people, and I have been privileged to meet many of our men and women in uniform, particularly as a new Member of Congress.

□ 2340

Most recently, a week or two ago, I had an opportunity to visit at the Brunswick Naval Air Station, located at Brunswick, ME, in my district. I wanted to visit that installation to learn about the important role of the P–3 maritime patrol aircraft, the missions they are assuming. I was very surprised to learn in my own district in Maine that men and women had been committed overseas, not only in Bosnia. In fact, during the day of my visit, one of the squadrons was returning from duty in the Adriatic area, again serving our national interests and serving the interests as they have been articulated and committed to by our Commander in Chief. Not only were they serving in the Bosnia region, but in fact they had actually seen service in the Somalia area, in the Gulf, in the Middle East and the Atlantic and the Mediterranean. That was a surprise to me, even as someone who is a veteran of military service, to learn that an installation in my own district was playing such a critical role overseas, again helping project the American military presence in areas of the world where it was necessary.

I was privileged to spend some time with Capt. John Rodgers, the commanding officer of patrol wing 5, based in Brunswick. In addition, with Dave Nelson, the commanding officer of the air station. Both gentlemen were extremely helpful to me in helping to understand not only the important role of the facility and its strategic location along the North Atlantic and access to the North Atlantic sea lanes, but also the important missions served by the men and women of the P–3 squadrons in Brunswick and the P–3 squadrons in the U.S. Navy around the world, and again how important they are to the Navy's mission and to the mission of the American military.

Again, I had a great opportunity to meet not only some of the men and women returning from Bosnia, but particularly Comdr. Frank Munoz, the executive officer of patrol squadron 10. I was very surprised to learn not only had he just finished a 6-month deployment, he was greeted by his wife and children who obviously missed their husband and father, but it was actually his second deployment in the course of 12 months. Again, a perfect example of the level of commitment that our men and women in the armed services have to their jobs and to their missions.

Recently also I had an opportunity to visit the headquarters of the commander in chief of the Atlantic Fleet, particularly to spend some time with Rear Adm. Vernon Clark, the deputy commander in chief of Atlantic Naval Forces, who was kind enough to provide a small congressional delegation with a briefing on our threat and forces posture in his areas of responsibility.

Then a surprise, and a pleasant surprise at that, I had an opportunity to visit with Vice Adm. George Emery. Much to my surprise I learned that the commander of Submarine Forces Atlantic is a native of Springvale, ME, again in effect a constituent, certainly a native of the great State of Maine. But again, both individuals highly committed to their work and very serious in their concern and willingness to perform their duty in the interests of this country.

I also had a chance to spend some time with Comdr. Jack Loye, the commanding officer of the U.S.S. *Toledo*, a new Los Angeles attack submarine which will be commissioned shortly. I had an opportunity to visit his boat, his submarine, as well as talk with members of his crew and to see firsthand the level of pride, dedication, and commitment that each of these individuals had to fulfilling their mission in the course of serving in the Navy and aboard the U.S.S. *Toledo*.

Again, knowing and seeing firsthand, learning how difficult it is to perform in our military today, particularly in the case of a submarine where you could literally spend months at sea with little or no contact with your family.

I had an opportunity also to visit the U.S.S. *Theodore Roosevelt*. Again it was a bad weather day, but we flew out to the flight deck, landed on the flight deck. The *Roosevelt* was approximately 200 miles out at sea, and despite the bad weather, it was performing its training mission prior to upcoming deployments.

I had an opportunity to spend some time with Rear Adm. Steve Abbott, the commander of carrier group 8, a committed admiral and playing a very important role with this carrier task force. I also met the commanding officer of the ship, Capt. Ron Christiansen, and Comdr. Tank Rutherford, the executive officer of the *Roosevelt*.

Again there was a special significance for me to visit the *Roosevelt* because during my time in northern Iraq with the marines of the 24 Marine Expeditionary Unit and in serving with the rangers and the sailors and the airmen assigned to that part of the world, the *Theodore Roosevelt* was one of the naval vessels that was providing support for our mission.

I cannot begin to describe the feeling that one has on the ground in a hostile area, knowing that the men and women of the Navy and the Air Force were in the skies above the area to protect us if necessary on a moment's notice.

But most important, a number of constituents, residents of the State of Maine. Capt. Nils Sjostrom, whose parents live in West Southport; Lt. Stacy Murch, a young naval aviator and a recent graduate of the University of Maine at Orono, again at sea, flying the training missions required of his duty. His mother lives in Harrison. Also Cory LaPlante of Norridgewock, Stephen Willard of East Baldwin, Edward Hood of Caribou, Benjamin Crehore of Westport Island, and Michael Nantkes of Lincoln. Again, young men from the State of Maine, some of them from my district, doing their duty, 7 days a week, 24 hours a day on a vessel of our Navy. Again, this is the type of commitment that we are seeing with our young men and women in uniform.

I might mention not only the young men and women in uniform, but the kind of infectious example that they set and the impact that their service and their values have on others. I was pleased to have with me on the day I was in Brunswick my chief of staff, Floyd Rutherford, and he brought his two boys with him, Chip Rutherford and Chris Rutherford. And again, those young children, those young men, young boys, were very touched by the standards and the professionalism that they saw exhibited to the point that they might at some time want to consider service in the Navy or in the armed services. And again, that is the kind of positive impact that the training and discipline of military service has on our men and women, particularly on those civilians and those who come in contact with them.

But I want to end on a final note, and this is something that underscores for me what this is really all about, the level of commitment of our men and women in uniform. There was a resident of our great State, M. Sgt. Gary Gordon, who gave his life in Somalia. And I thought that I might end this presentation this evening by reading from the citation which by direction of the President under a joint resolution of Congress he was awarded the Medal of Honor for conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty. And I don't need to mention that the award was made posthumously. But I would like to read the type of situation that he confronted, so that people listening tonight can understand again how deeply committed the men and women of the armed services are.

M. Sgt. Gordon was serving in October 1993 in Mogadishu as a sniper team leader. His team was providing precision fire from a lead helicopter during an assault. I am going to read from the Medal of Honor citation exactly the way the official record reflects his duty.

They were providing covering fire at two helicopter crash sites, and while subjected to intense automatic weapon and rocket-propelled grenade fire, M. Sgt. Gordon, when he learned that ground forces were not immediately available to secure the second crash site, he and another sniper unhesitatingly volunteered to be inserted to protect the four critically wounded personnel of the two downed helicopters, despite being well aware of the growing number of enemy personnel closing in on the site.

□ 2150

I might mention that this young man did not volunteer once, did not volunteer twice, he volunteered three times to be inserted to go to the aid of those wounded personnel. And as the citation states, "after his third request to be inserted, permission was finally granted. He was inserted 100 meters south of the crash site, equipped with only a sniper rifle and a pistol," and I do not need to mention that those were weapons that were not necessarily adequate to the situation he was confronting.

Through pure courage, MSgt. Gordon and his fellow sniper proceeded under intense small arms fire and fought their way to reach the critically injured crew members. MSgt. Gordon immediately pulled the pilot and other crewmembers from the disabled aircraft and established a perimeter which placed him and his fellow sniper in the most vulnerable position. They were there to protect the wounded.

Despite the fact that Gordon was critically low on ammunition, he provided some of it to the dazed pilot and radioed for help. He then continued to travel the perimeter, protecting the downed crew. After his team member was fatally wounded, and Gordon's own rifle ammunition was exhausted, MSgt. Gordon returned to the wreckage, recovering a rifle with the last five rounds of ammunition and gave it to the pilot with the words, "good luck." Then armed only with his pistol, MSgt. Gordon continued to fight until he was fatally wounded. His actions saved the pilot's life.

Where, Mr. Speaker, where do we find men of this caliber? This is what it is all about. And the irony of this situation, a terrible irony, a tragic irony, is that when we do not have the equipment, the resources that we need to fulfill the mission, we still have the commitment of the American men and women who man our armed services, who are willing to give their lives in such situations. And that is what this is all about.

If we are going to commit our forces, we need to do whatever we need to do to make sure that they have the equipment, the training, the resources, that go along with the commitment. And if there is a final irony in the tragic situation that occurred on that October 3, 1993 in Mogadishu, is that after this event, the forces there finally received the M–60 tanks that they needed, the armored personnel carriers and other equipment that if that equipment had been available on that day may have saved MSgt. Gordon's life, as well as the lives of the other 17 men that were killed in that action. That is what this is all about.

Mr. Speaker, when we commit our forces, we do not have the time, it is past the time where we can make the funding decisions, where we can develop the resources, the equipment, where we can provide the training they need. When we commit our forces they are on a moment's notice. They have got to be ready at that time. And, Mr. Speaker, that is what this is all about.

Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman, Mr. Speaker. And coming from his background and as a marine officer, I think that his description of the importance of our national security posture and especially his description of the

people who gave their lives for us in Somalia in Mogadishu is especially fitting.

I thank the gentleman for his expertise, and I look forward to working with him this year, because he is on the Committee on Armed Services. And we are all going to listen to him, junior member and senior members will listen to the gentleman from Maine.

Let me just add that we passed, in the Committee on Armed Services, a few days ago H.R. 7, that is the bill to revitalize the National Security Act of the United States. And that was referred by some people as a campaign promise that Republicans made and a lot of words but lacking in substance and somehow something that did not justify a serious debate and serious action.

Let me just say that in going over all of the findings and recommendations and provisions of H.R. 7, I feel that the Republican leadership and now a bipartisan majority of the House Committee on Armed Services, which endorsed this bill, has taken a step in the right direction.

For those people that said that this was not a factual set of findings, that somehow we were overblown with respect to the crash in national security, let me just go through a few of the statistics.

We said that there have been, between 1993 and 1999, budget plans for American defense that has cut defense spending by $156 billion. That is absolutely accurate. President Bush cut defense spending by in excess of $50 billion, conferring then Secretary of Defense Dick Cheney, Chairman of the Joint Chiefs, Colin Powell, and others.

President Clinton came along and cut national security $127 billion below the level that President Bush cut.

So the facts that are laid out in H.R. 7, the National Security Revitalization Act, are absolutely accurate on that point.

It also states that during the fiscal year 1995, we are reducing DOD by about 182,000 people. That is a rate of over 15,000 per month or over 500 people per day. That is absolutely accurate. And further the Bureau of Labor Statistics estimates that 1.2 million defense-related private sector jobs will be lost by 1997. That is accurate.

The bill goes on to state and define that in missions involving U.S. peacekeeping and humanitarian efforts involved in the fiscal year of 1994, over 70,000 U.S. personnel—I think it was mentioned by one of our experts that the Bosnian airlift has gone on for longer than the Berlin airlift—United Nations' assessments to the United States for peacekeeping missions totaled $1.5 billion. We pay 31.7 percent of all the peacekeeping costs that the United Nations incurs.

At the same time the United States of America undertakes unilaterally its own military missions like airlift missions in Africa, in Bosnia, and other places. And we pay for that ourselves. The French do not help us. The British do not help us. We know the Japanese do not help us. They are tight with their dollars. So we pay for our unilateral efforts and then we also pay the lion's share of the contribution to the United Nations operations.

Let me tell you what happens. The gentleman well knows that when we are involved in these pacekeeping efforts, we do what people in the military call taking expenses out of hide.

Taking expenses out of hide means that because we are paying for these peacekeeping operations in Rwanda, Haiti, Bosnia, and other places, troops are going untrained. That means, as the gentleman from San Diego, my seat mate, the gentleman from California [Mr. CUNNINGHAM], says, top gun does not get to go through its exercises. As he says, pilots fight like they train. The way you keep your pilots alive in combat is to train them well. But they do not get that training because we are taking those readiness dollars, those dollars that maintain their combat readiness, and we are spending those on peacekeeping operations.

I would challenge any Member of the House who wants to utter derogatory words with respect to the facts that are in H.R. 7, I would challenge any of them, as I challenged the Secretary of Defense to find any factual mistakes in the findings that we made in this bill.

Further, the bill goes on to say that a return to the hollow forces of the 1970's has already begun. The Secretary of Defense took issue with that. He said, that is not true. We are by far the most ready and the best military in the world.

Well, that is true. We are, as of right now, the most ready military in the world.

But we say that a return to the hollow forces has begun. And let me tell you some of the symptoms.

In 1994, one third of the units in the Army contingency force and all of the forward-deployed and follow-on Army divisions were reporting a reduced state of military readiness. During fiscal year 1994, training readiness declined for the Navy's Atlantic and Pacific Fleets. Funding shortfalls for that fiscal year resulted in grounding of Navy and Marine Corps aircraft squadrons and cancellation and curtailment of Army training exercises.

Those are symptoms of a return to a hollow military.

As of January 1, 1995, military pay is approximately 12.8 percent below comparable civilian levels. As a result, it is estimated that close to 17,000 junior enlisted personnel are having to take food stamps.

□ 2200

The Secretary of Defense may not like that fact, but that is the fact. They came out of his Pentagon.

Mr. Speaker, farther, and one factor that really influenced at least the Republican leadership's decision to sponsor H.R. 7, the National Security Revitalization Act, we looked at what President Clinton wanted in terms of force structure. He decided he wanted to take our Army divisions from 18 to 10. He decided he wanted to take our air wings from 24 to 14. He decided on our reductions in Navy ships that were fairly massive. He decided on making a number of cancellations of weapon systems.

But even to support that constrained, reduced force structure, the General Accounting Office found that the President's budget, the amount of money that he made available to us to support the forces of Army and Navy and Marines that we wanted, was $150 billion short. He did not give us enough money to do what he told us to do.

That is according to the General Accounting Office. The Congressional Budget Office came up with a figure that was less than $150 billion, but nonetheless a very substantial figure, many tens of billions of dollars.

So we were faced with a situation in which the President apparently, according to our analysts, is not giving enough money so that the people that the gentleman from Maine [Mr. LONGLEY] spoke about so poignantly, our fighting soldiers, will have the right equipment, the best equipment to carry out very dangerous missions.

Mr. LONGLEY. Mr. Speaker, I would like to just propose a question. I would be very interested in any thoughts the gentleman has on this.

Could the gentleman address the issue of what the underfunding does to the leadership in terms of the types of decisions that they need to make, the day-to-day decisions based on the financial necessities of maintaining the forces, particularly the high levels of operation and high levels of deployment, and how that has an insidious effect on our military structure?

Mr. HUNTER. Mr. Speaker, I would be happy to tell the gentleman that when you are forced to use your money for the peacekeeping operations, if that is what the gentleman is talking about, these new missions the President gives you—for example, when our marines came back from Bosnia, my understanding is they were given 12 days with their families after being away for many months, and sent immediately into the Haiti theater.

When that happens, and when the military has to use its money for operations, that means that they have to stop training exercises in many cases. That is why three Army divisions, three of our top Army divisions, were given C ratings that were less than

combat ready. That means that they do not have enough money for training. That means that they do not have ammunition for training, perhaps. That means that their equipment is not kept up to speed.

Last year we did about 64 percent of what we required in terms of depot-level maintenance. That means our big equipment that we needed to take into the shop and get fixed so we could take it out on the next operation, we only did about 64 percent of what we had to do. That means that some equipment was 64 percent ready, and that means, in shorthand, if you had 100 tanks, you fixed 64 of them, not 100 of them.

What it does is make our military less ready to be able to respond to a national emergency. That is bad.

Does that answer the gentleman's question?

Mr. LONGLEY. It does, Mr. Speaker.

Could the gentleman address the issues relating to the base closing process? Are we really reconsolidating and realigning our facilities?

Mr. HUNTER. If the gentleman will continue to yield, the base closing process, to answer the gentleman, was supposed to be a process in which we cut military infrastructure. By cutting down the overhead in the rear, just like a business, if you have a lot of people out there making products and you have a lot of people in the back offices who are executives, if you close down some of your overhead, that is all the white collar workers, then you become more efficient and you are able to make more products for the amount of money invested.

The idea with our base closure was, in pulling down this massive force structure that won the cold war for us and won Desert Storm for us, by reducing divisions from 18 to 10, by reducing our fighter air wings from 24 to 14, and on down the line, that what we needed to do at the same time was reduce a lot of these bases in the United States because we did not need all that overhead, just like a company does not need a lot of overhead if it reduces its operations.

That is true in many cases. We had bases in this country that were designed to hold off attacks from the Apache Indians. Those bases just managed to stay around because, even after peace was entered into between native Americans and our Federal Government, there was a good old Congressman there who wanted to keep that bastion of Federal soldiers with that payroll in his district, so we did have bases that did not perform a strong military mission. We did need to close those.

However, what we have done now is we have gone beyond closing those bases that are truly useless. We have started closing bases which have a real military requirement, but beyond that, we are not closing the bases effectively.

What has happened is that in closing bases, we have bought ourselves massive environmental problems and massive environmental costs, and we now see that it is costing us a ton of money to close the bases, much more than we ever anticipated.

What that means is like an uncle who has a string of condominiums. He just wants to give them away to his nephews, but his nephews tell him, "Uncle, before you give those condominiums to us, free of charge," like we want to give a lot of our bases away to States and counties and cities, "we want to charge you $1 million apiece to clean them up."

So we are spending a lot of our military money paying lawyers who are involved in lawsuits and administration of environmental laws with respect to our bases. We are not moving a lot of dirt, we are not really doing a lot of real substantial cleanup work. We are basically paying now a massive bureaucracy which shoves paper back and forth to its various members and gets paid for it, and at the same time keeps the bases from totally closing, and all that money comes out of the military budget.

I would say to the gentleman now that instead of spending as much money as we should on fuel, on flying time, on steaming time, on ammunition, we are now spending an extraordinary amount of money with lawyers and environmental regulators in the base closure business, so we have become ensnarled in a massive bureaucracy. We are going to have to cut off some of those environmental costs. I think we are going to have to defer them to a later time and simply, in some cases, put a padlock on those bases that we have closed, but stop spending our readiness money that keeps our troops ready to fight.

Does that answer the gentleman's questions?

Mr. LONGLEY. Mr. Speaker, I appreciate the gentleman's answer.

Mr. HUNTER. Would the gentleman continue to yield, Mr. Speaker,?

Mr. LONGLEY. I would be happy to yield.

Mr. HUNTER. Mr. Speaker, I wanted to mention one other thing that the Republican leadership placed in this National Security Revitalization Act, H.R. 7, that is related to the safety of the American people. We stated in this act that we shall deploy national ballistic missile defense systems and theater missile defense systems.

We live in an age of missiles. Dozens of countries now are developing ballistic missiles. We cannot avoid that, we cannot deny it. We cannot say, "That is war in the heavens, and we are not going to participate," because those missiles go up into the sky but they come down and they land in cities, they land on military bases, they land in the theaters where our young people in uniform serve.

We live in an age of missiles. We have to realize that, just like our forebears learned at the start of the century that we had entered the age of machineguns and we had entered the age of tanks and armor, and we had to adapt to that.

We still had a few old generals who wanted to keep the cavalry because they loved the cavalry. We had cavalry training operations up into the 1930's. Some of them said, "Boys, we just want to get faster horses, that is the answer." But that was not the answer.

The Democrat leadership has been reluctant to acknowledge that we live in an age of missiles. I will never forget watching Walter Mondale standing at the Democrat Presidential nomination convention in San Francisco and saying of the Republican idea of defending ourselves against incoming nuclear missiles, "That is war in the heavens, and I will never participate in that."

I cannot help but think, because Mr. Mondale is a fine gentleman, that if he was watching CNN and watched American Patriot missiles shooting down incoming Scud ballistic missiles—that is a slow ballistic missile, but a ballistic missile nonetheless, made by the Soviet Union—I am sure that when Mr. Mondale saw that incoming Scud coming into an American troop concentration, young men and women from the United States stationed in Saudi Arabia, and he saw a Patriot missile shoot up just like a bullet hitting a bullet and destroying that Scud, I am sure Walter Mondale, who said "I will never participate in war in the heavens," probably said "Thank heavens."

On that line, we now have to come together, Democrat and Republican, and concede that we live in an age of missiles and we have to do two things. We are going to have to have a capability of shooting down Scud missiles, the new missiles that North Korea is building and proliferating in the Middle East, Soviet missiles that are being sold by out-of-work generals in the former Soviet Union to Middle Eastern clients, to terrorist nations, and we have to have the ability to shoot those missiles down when they come into our troop concentrations in the Middle East or elsewhere.

Those are called theater ballistic missiles. They are kind of like the Models T's of missiles. They crank along a little bit slower than ICBM's.

□ 2210

Second, we have to be able to shoot down ICBM's, because other nations than the former Soviet Union are making ICBM's. Red China is making ICBM's. Those are missiles that can travel from China to the United States of America. North Korea is making ICBM's. They are trying to develop ICBM's that will be able to reach initially at least Alaska and later on other parts of the United States.

99-059 O—97 Vol. 141 (Pt. 3) 19

So we have to have a system that can deter, can beat, just like that Patriot missile going up and shooting down that Model T ballistic missile, the Scud, we have to have a system that can go up and shoot down one of those Cadillac ICBM's made by the former Soviet Union, made by red China, made by North Korea. And as our intelligence leaders have told you, the people we pay in our intelligence agencies, all of these nations, some of them led by very unstable leaders who want to get a piece of the action, who want to be superpowers, who want to have leverage in world affairs, are using as their weapon of choice, they envision their weapon of choice to be the intercontinental ballistic missile.

So we have to embark on a program to develop a national missile defense and a theater missile defense and this H.R. 7, the National Security Revitalization Act that was passed by the House Committee on Armed Services, and I probably say, passed by about 40 some votes to 18, I think, Democrats and Republicans passed this act.

This act says it shall be the policy of the United States to develop and deploy a national missile defense and a theater missile defense. That is the first time a body in either House has made such a strong commitment.

I am proud of my colleagues who joined with us, myself, the gentleman from Maine; our great chairman of the House Committee on Armed Services, FLOYD SPENCE, who led that bill through the markup process. I am glad so many Members of the other side of the aisle joined with us to see to it that America is well-defended. You cannot defend America if you do not defend against missiles.

Mr. LONGLEY. I thank the gentleman from California.

Mr. Speaker, I think that the strong note that is important that the public understands and the Members of this House understand is the very strong bipartisan commitment, not only in the other pieces of legislation that have been proceeding through this House in the last 3 weeks, but we have had strong cores in each party who have been aggressively working together to try to address issues of concern to the national interest.

As we move through the next several weeks, particularly as we hear more about the National Security Revitalization Act, I think that the public is going to recognize the strong bipartisan, nonpartisan commitment to defending this great country against the threats that she faces as we move into the future.

I welcome the opportunity to work with the chairman of the subcommittee and with the members of the committee as we address these very important issues.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COLLINS of Georgia (at the request of Mr. ARMEY) for today and tomorrow on account of attending a funeral.

Miss COLLINS of Michigan (at the request of Mr. GEPHARDT) for today after 5:30 p.m. and tomorrow, February 3, on account of attending Grandparents Day at granddaughter's school in Detroit.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. THURMAN) to revise and extend their remarks and include extraneous material:)

Ms. WATERS, for 5 minutes, today.
Ms. DELAURO, for 5 minutes, today.
Mr. OLVER, for 5 minutes, today.
Mr. GENE GREEN of Texas, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mr. OWENS, for 5 minutes, today.
Mr. CLAYTON, for 5 minutes, today.
Mr. FILNER, for 5 minutes, today.

(The following Members (at the request of Mr. KINGSTON to revise and extend their remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.
Mr. NEY, for 5 minutes, today.
Mr. BEREUTER, for 5 minutes, on February 3.
Mr. BARR, for 5 minutes, today.
Mr. DUNCAN, for 5 minutes, today.
Mr. KINGSTON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. THURMAN) and to include extraneous matter:)

Mr. STOKES.
Mr. MARTINEZ.
Mr. FOGLIETTA.
Mrs. LINCOLN.
Mr. HOYER.
Mr. ACKERMAN.
Mr. MURTHA.
Mrs. MALONEY.
Mr. SANDERS.
Mr. OWENS.
Mr. COSTELLO in two instances.
Mr. GEJDENSON.
Mr. RUSH.
Ms. ESHOO in two instances.
Mr. CLAY.
Mrs. MEEK of Florida.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. BILBRAY.
Mr. FIELDS of Texas.
Mr. CLINGER.
Mr. KIM.
Mr. SOLOMON.
Mrs. JOHNSON of Connecticut.
Mr. HOSTETTLER.
Mr. PACKARD.
Mr. DORNAN.
Mr. BAKER of Louisiana.

ADJOURNMENT

Mr. LONGLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Friday, February 3, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

269. A letter from the Chairman, Panama Canal Commission, transmitting the Commission's report, including unaudited financial statements, covering the operations of the Panama Canal during fiscal year 1994, pursuant to 22 U.S.C. 3722; to the Committee on National Security.

270. A letter from the Administrator, Energy Information Administration, transmitting a copy of the Energy Information Administration's annual report "Energy Outlook, 1995," pursuant to 15 U.S.C. 790f(a)(1); to the Committee on Commerce.

271. A letter from the Chairman, Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, transmitting a report on various issues of the Safety Research Program, pursuant to 42 U.S.C. 2039; to the Committee on Commerce.

272. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Australia (Transmittal No. 10–95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

273. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the fiscal year 1994 report on implementation of the Support for East European Democracy Act [SEED] Program, pursuant to 22 U.S.C. 5474; to the Committee on International Relations.

274. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the administration's annual report on United States assistance and related programs for the Independent States of the Former Soviet Union, pursuant to 22 U.S.C. 5814; to the Committee on International Relations.

275. A communication from the President of the United States, transmitting a copy of the report on procedures established for effective coordination of research and development on arms control, nonproliferation and disarmament, pursuant to Public Law 103–236, section 711; to the Committee on International Relations.

276. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2000 resulting from passage of S. 2, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on Government Reform and Oversight.

277. A letter from the Chairman, Commission on Intergovernmental Relations, transmitting the Commission's 36th annual report of the Advisory Commission on Intergovernmental Relations, pursuant to 42 U.S.C. 4275(3); to the Committee on Government Reform and Oversight.

278. A letter from the Acting Executive Secretary, National Labor Relations Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1994, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

279. A letter from the Administrator, U.S. Small Business Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1994, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

280. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

281. A letter from the Chief, Forest Service, Department of the Interior, transmitting copies of the official boundary for the Clarks Fork Wild and Scenic River; to the Committee on Resources.

282. A letter from the Secretary of Transportation, transmitting the Department's 1994 annual report on the recommendations received from the National Transportation Board regarding transportation safety, pursuant to 49 U.S.C. app. 1906(b); to the Committee on Transportation and Infrastructure.

283. A letter from the Commissioner, Interstate Commerce Commission, transmitting a blueprint for further deregulation of the surface transportation industry; to the Committee on Transportation and Infrastructure.

284. A letter from the Secretaries of Defense and Veterans Affairs, transmitting a report on the implementation of the health resources sharing portion of the "Department of Veterans Affairs and Department of Defense Health Resources Sharing and Emergency Operations Act" for fiscal year 1994, pursuant to 38 U.S.C. 8111(f); jointly, to the Committees on National Security and Veterans' Affairs.

285. A letter from the Director, Office of Government Ethics, transmitting a draft of proposed legislation to amend the Ethics in Government Act of 1978, as amended, to extend the authorization of appropriations for the Office of Government Ethics for 7 years, and for other purposes; jointly, to the Committees on the Judiciary and Government Reform and Oversight.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCCOLLUM: Committee on the Judiciary. H.R. 665. A bill to control crime by mandatory victim restitution; with an amendment (Rept. 104–16). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCCOLLUM: Committee on the Judiciary. H.R. 666. A bill to control crime by exclusionary rule reform (Rept. 104–17). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLARD (for himself, Mr. BARTLETT of Maryland, Mr. BURTON of Indiana, Mr. DOOLITTLE, Mr. DORNAN, Mr. GILCHREST, Mr. GOODLATTE, Mr. HEINEMAN, Mr. METCALF, Mr. EWING, Mr. ROHRABACHER, Mr. SCHIFF, Mr. STUMP, Mrs. VUCANOVICH, and Mr. GENE GREEN of Texas):

H.R. 791. A bill to deny supplemental security income benefits by reason of disability based on addiction to alcohol or drugs; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 792. A bill to amend the Internal Revenue Code of 1986 to provide incentives for investments in tax enterprise zone businesses and domestic businesses; to the Committee on Ways and Means.

By Mr. BAKER of Louisiana (for himself, Mr. YOUNG of Alaska, Mr. EMERSON, Mr. TANNER, Mr. STUMP, Mr. KOLBE, Mr. RIGGS, Mr. MCKEON, Mr. BRYANT of Tennessee, Mr. UPTON, Mr. NEY, Mrs. CHENOWETH, Mr. LATOURETTE, and Mr. HANCOCK):

H.R. 793. A bill to eliminate the administrative authority to prohibit the possession or transfer of particular assault weapons; to the Committee on the Judiciary.

By Mr. BILBRAY (for himself, Mr. PACKARD, Mr. CUNNINGHAM, Mr. HUNTER, and Mr. FILNER):

H.R. 794. A bill to amend the Federal Water Pollution Control Act to deem certain municipal treatment facilities as the equivalent of secondary treatment; to the Committee on Transportation and Infrastructure.

By Mr. CANADY:

H.R. 795. A bill to impose a moratorium on enforcement of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980—Superfund—against certain persons and on the authority under that Act for contribution actions; to the Committee on Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DORNAN:

H.R. 796. A bill to require the withdrawal of the United States from the NAFTA supplemental agreements on labor and environmental cooperation; to the Committee on Ways and Means.

By Ms. ESHOO:

H.R. 797. A bill to amend the Internal Revenue Code of 1986 to establish a Higher Education Accumulation Program [HEAP] under which individuals are allowed a deduction for contributions to HEAP accounts; to the Committee on Ways and Means.

By Mr. GEJDENSON:

H.R. 798. A bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to establish a permanent, confidential database and toll-free telephone line for the collection of medical information concerning members of the Armed Forces and veterans; to the Committee on Veterans' Affairs.

By Mr. HASTINGS of Washington (for himself, Ms. DUNN of Washington, Mr. TATE, Mr. METCALF, Mr. NETHERCUTT, Mr. COOLEY, Mr. BUNN of Oregon, Mr. WHITE, and Mrs. SMITH of Washington):

H.R. 799. A bill to provide for the reconstitution of outstanding repayment obligations of the Administrator of the Bonneville Power Administration for the appropriated capital investments in the Federal Columbia River Power System; to the Committee on Resources.

By Mr. HOSTETTLER (for himself, Mr. BAKER of Louisiana, Mr. BOEHNER, Mr. BRYANT of Tennessee, Mr. BURTON of Indiana, Mr. CHABOT, Mr. CHAMBLISS, Mrs. CHENOWETH, Mr. COMBEST, Mr. COOLEY, Mr. EMERSON, Mr. LEWIS of Kentucky, Mr. MCHUGH, Mr. SMITH of Texas, and Mr. SOUDER):

H.R. 800. A bill to amend the conservation provisions of the Food Security Act of 1985 and the Federal Water Pollution Control Act to permit the unimpeded use of privately owned crop, range, and pasture lands that have been used for the planting of crops or the grazing of livestock in at least 5 of preceding 10 years; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HYDE (for himself and Ms. WOOLSEY):

H.R. 801. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations and to require the Internal Revenue Service to collect child support through wage withholding; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 802. A bill to prohibit payment of Federal retirement benefits, except in certain cases, to those who are not retired as defined under the Social Security Act; to the Committee on Government Reform and Oversight, and in addition to the Committees on National Security, House Oversight, the Judiciary, and Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut (for herself, Mr. MATSUI, Mr. HERGER, and Mr. NEAL of Massachusetts):

H.R. 803. A bill to amend the Internal Revenue Code of 1986 to make permanent the credit for increasing research activities; to the Committee on Ways and Means.

By Mr. MILLER of Florida (for himself, Mr. STOCKMAN, Mr. CHRYSLER, Mr. SALMON, Mr. SCARBOROUGH, Mr. SANFORD, Mr. CHRISTENSEN, Mr. DAVIS, Mr. COBURN, Mrs. WALDHOLTZ, Mrs. MYRICK, Mr. ENGLISH of Pennsylvania, Mr. GANSKE, Mr. TIAHRT, Mr. NEUMANN, Mr. FOX, Mrs. SEASTRAND, Mr. BALDACCI, Mr. THORNBERRY, Mr. GUTKNECHT, Mr. HAYWORTH, Mr. GOSS, and Mr. DEAL of Georgia):

H.R. 804. A bill to amend title 5, United States Code, to limit the period of service which may be credited to a Member of Congress in the computation of retirement benefits, and for other purposes; to the Committee on House Oversight, and in addition to

the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. OWENS (for himself, Mr. SANDERS, Mr. BROWN of California, Mr. CONYERS, Mr. DELLUMS, Mr. HASTINGS of Florida, Mr. HINCHEY, Mrs. MINK, and Mr. WATT of North Carolina):

H.R. 805. A bill to provide for the creation of jobs in America, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, Banking and Financial Services, Economic and Educational Opportunities, Commerce, and Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SKEEN (for himself, Mr. SCHIFF, and Mr. RICHARDSON):

H.R. 806. A bill to ensure the provision of appropriate compensation for the real property and mining claims taken by the United States as a result of the establishment of the White Sands Missile Range, NM; to the Committee on the Judiciary, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STOCKMAN (for himself, Mr. ROHRABACHER, Mr. FUNDERBURK, Mr. BURTON of Indiana, Mrs. CHENOWETH, Mr. COOLEY, Mr. FOX, Mr. GANSKE, Mr. GUTKNECHT, Mr. HAYWORTH, Mr. HUNTER, Mr. METCALF, Mr. SALMON, Mr. SANFORD, Mr. SCARBOROUGH, Mrs. SEASTRAND, Mr. SOUDER, and Mr. WAMP):

H.R. 807. A bill to protect the Constitution of the United States from unauthorized encoachment into legislative powers by the executive branch, and to protect the American taxpayer from unauthorized encoachment into his wallet by an unconstitutional action of the President; to the Committee on Banking and Financial Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMAS (for himself and Mr. MCKEON):

H.R. 808. A bill to amend title 10, United States Code, to provide for jurisdiction, apprehension, and detention of certain civilians accompanying the Armed Forces outside the United States, and for other purposes; to the Committee on National Security.

By Mr. VOLKMER:

H.R. 809. A bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and Federal Reserve banks and their branches; to the Committee on Banking and Financial Services.

By Mr. ZIMMER (for himself, Mr. UNDERWOOD, Mr. ENGLISH of Pennsylvania, Mr. BEILENSON, Mr. CLYBURN, Mr. EVANS, Mr. TORRICELLI, Mr. GILCHREST, and Mr. SANDERS):

H.R. 810. A bill to provide for the study of battlefields of the Revolutionary War and the War of 1812; to the Committee on Resources.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALLENGER:

H.R. 811. A bill for the relief of Peggi M. Houston; to the Committee on the Judiciary.

By Mrs. VUCANOVICH:

H.R. 812. A bill for the relief of William P. Van Keymeulen; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 24: Mr. EHLERS.

H.R. 26: Mr. FOGLIETTA, Mr. ORTON, Mr. COYNE, Mr. MENENDEZ, Mr. DOOLEY, and Mr. SCARBOROUGH.

H.R. 40: Mr. INGLIS of South Carolina, Mr. WELLER, Mr. CHABOT, Mr. FATTAH, Mr. MCCOLLUM, Mr. ANDREWS, Mr. BILBRAY, Mr. SOUDER, Mr. FUNDERBURK, Mr. LONGLEY, Mr. FLANAGAN, Mr. SOLOMON, Mrs. SMITH of Washington, Mr. FOX, Mr. TORKILDSEN, Mr. PORTER, Mr. CHRISTENSEN, and Mr. STEARNS.

H.R. 58: Mr. STEARNS.

H.R. 123: Mr. BONO, Mr. LEWIS of California, Mrs. MYRICK, Mr. FIELDS of Texas, Mr. HOEKSTRA, Mr. LIPINSKI, Mrs. CHENOWETH, Mr. GANSKE, Mr. CHRISTENSEN, Mrs. KELLY, Mr. LIGHTFOOT, Mr. ISTOOK, Mr. BREWSTER, Mr. MILLER of Florida, Mr. MYERS of Indiana, Mr. HASTINGS of Washington, Mr. NEY, Mr. ROBERTS, Mr. SAM JOHNSON, Mrs. ROUKEMA, Mrs. SEASTRAND, Mr. STEARNS, Mr. HUNTER, Mr. SISISKY, and Mr. BROWDER.

H.R. 134: Mr. BARTON of Texas and Mrs. MYRICK.

H.R. 135: Mr. BARTON of Texas, Mr. DORNAN, Mr. SENSENBRENNER, and Mrs. MYRICK.

H.R. 136: Mr. BARTON of Texas, Mrs. MYRICK, Mr. ROHRABACHER, and Mr. DORNAN.

H.R. 138: Mrs. MYRICK, Mr. DORNAN, and Mr. SENSENBRENNER.

H.R. 139: Ms. MCKINNEY.

H.R. 141: Mr. BARTON of Texas, Mrs. MYRICK, Mr. DORNAN, Mr. SENSENBRENNER, and Mr. WELLER.

H.R. 143: Mrs. MYRICK, Mr. ROHRABACHER, and Mr. DORNAN.

H.R. 216: Mr. MCKEON.

H.R. 217: Mr. LATOURETTE.

H.R. 218: Mr. GENE GREEN of Texas.

H.R. 221: Mrs. CLAYTON and Ms. RIVERS.

H.R. 240: Mr. FORBES and Mr. SHUSTER.

H.R. 310: Mr. ENGLISH of Pennsylvania, Mr. CUNNINGHAM, and Mr. ROYCE.

H.R. 313: Mr. ENGLISH of Pennsylvania, Mr. CUNNINGHAM, and Mr. ROYCE.

H.R. 315: Mr. GENE GREEN of Texas, Ms. RIVERS, and Mr. ACKERMAN.

H.R. 326: Mr. GUTKNECHT.

H.R. 394: Mr. PACKARD, Mr. GREENWOOD, Mrs. THURMAN, Mr. STEARNS, and Mr. COX.

H.R. 398: Mr. CLAY, Mr. TORRES, Mr. CLYBURN, Mr. EVANS, Mrs. MEEK of Florida, and Mr. MFUME.

H.R. 442: Mr. JONES, Mr. BALLENGER, Mr. REGULA, Mr. HOEKSTRA, Mr. MCHUGH, Mr. HUNTER, Mr. MONTGOMERY, Mr. SANFORD, Mr. STEARNS, Mr. PAXON, Mr. LAHOOD, Mr. SCHIFF, Mr. CRAPO, Mr. GILCHREST, Mr. PACKARD, Mr. SAXTON, Mr. WELDON of Florida, Ms. ESHOO, Mr. BARTLETT of Maryland, Mr. BRYANT of Tennessee, Mr. LATOURETTE, Mr. LAZIO of New York, Mr. BURR, Mr. BONO, Mr. MCCOLLUM, Mr. DIXON, Mr. LIGHTFOOT, Mr. WYDEN, Mr. BACHUS, Mr. BENTSEN, Mrs. MYRICK, Mr. PORTER, Ms. MCCARTHY, and Mr. SOUDER.

H.R. 449: Mr. KENNEDY of Rhode Island.

H.R. 450: Mr. FIELDS of Texas, Mr. DEAL of Georgia, Mr. LUCAS, and Mr. CHAMBLISS.

H.R. 480: Mr. ARCHER.

H.R. 481: Mr. BACHUS.

H.R. 482: Mr. FLANAGAN.

H.R. 489: Mr. LAUGHLIN and Mrs. VUCANOVICH.

H.R. 491: Mr. ZELIFF, Mr. GENE GREEN of Texas, Mr. FLANAGAN, and Mr. TAYLOR of North Carolina.

H.R. 493: Mr. PASTOR and Mr. GUTIERREZ.

H.R. 592: Mr. CALVERT and Mr. DORNAN.

H.R. 607: Mr. MANZULLO, Mr. KNOLLENBERG, Mr. PAXON, Mr. ROHRABACHER, Mr. ROYCE, Mr. DORNAN, and Mr. SAXTON.

H.R. 663: Mr. LATOURETTE, Mr. KIM, and Mr. ACKERMAN.

H.R. 704: Mr. BROWN of California, Mr. WAXMAN, Mr. SMITH of Texas, Mr. ENGLISH of Pennsylvania, Mr. JACOBS, Mr. DORNAN, Mr. LANTOS, Mr. BLUTE, Mr. HYDE, Mr. BRYANT of Tennessee, Mr. SAXTON, Mr. GEJDENSON, and Mr. MANTON.

H.R. 711: Mr. STEARNS, Mr. SMITH of New Jersey, Mrs. VUCANOVICH, Mr. RIGGS, and Mr. EMERSON.

H.R. 753: Mr. HASTERT.

H.R. 756: Mr. SAM JOHNSON and Mr. SAXTON.

H.R. 762: Ms. KAPTUR.

H.R. 785: Ms. MCCARTHY, Ms. ROYBAL-ALLARD, Ms. ESHOO, Ms. MCKINNEY, Mrs. THURMAN, Ms. VELÁZQUEZ, Ms. DANNER, Mrs. KELLY, Ms. ROS-LEHTINEN, and Mrs. MYRICK.

H.R. 789: Mr. TALENT, Mr. STUMP, Mr. BURTON of Indiana, Mr. ROSE, Mr. LEWIS of Georgia, and Mr. RAHALL.

H.J. Res. 3: Mr. BARCIA of Michigan.

H.J. Res. 52: Mr. STARK, Mr. ROBERTS, and Mr. FATTAH.

H. Con. Res. 12: Mr. KLECZKA, Mr. KING, and Mr. HASTINGS of Florida.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2

OFFERED BY: MR. TAUZIN

AMENDMENT NO. 33: Section 2 is amended by adding at the end the following new subsection:

(d) SPECIAL RULE.—Notwithstanding subsection (a), in the case of fiscal years 1996 through 2002, the President may only rescind any budget authority or veto any targeted tax benefit under that subsection necessary to reduce the projected deficit for the fiscal year to which that rescission or veto pertains to the level set forth below:

Maximum deficit level

(In billions of dollars)

Fiscal year:	
1996	$174
1997	155
1998	116
1999	71
2000	59
2001	26
2002 and thereafter	0

H.R. 2

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 34: At the end, add the following new section:

SEC. 7. TERMINATION DATE.

This Act shall cease to be effective on January 1, 1997.

EXTENSIONS OF REMARKS

ON GROUNDHOG DAY

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. CLINGER. Mr. Speaker, it is with great joy that I rise on this, the 109th anniversary of Groundhog Day. Today, the fate of Old Man Winter has been sealed by one of our Nation's truly great prognosticators, Punxsutawney Phil.

While this great seer resides deep in his burrow at Gobbler's Knob in Punxsutawney, PA, the rest of the Nation suffers from the icy blasts of winter. However, he has emerged from his abode today to proclaim the near end of this, the most dire of seasons.

1995 GROUNDHOG DAY PROCLAMATION

Punxsutawney Phil, King of Groundhogs, Seers of Seers, the Omniscient Marmot, Weather Forecaster Without Peer has responded to President Bud Dunkel's summons at 07:29:43 this February 2nd, 1995. His long time friend and handler, Bill Deeley placed him atop his regal stump. From there he wished the throng of thousands "Happy Groundhog Day." After brief, observation and contemplation he spoke in groundhogese which Bud quickly translated and selected the appropriate scroll.

Oh Bud Golly Gee
Forgive me for acting giddee
But everyone will love me
Like Little Jack Horner
Spring is just around the corner
No shadow do I see, absolutely.

TRIBUTE TO THE AGRICULTURE ADVISORY BOARD

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. COSTELLO. Mr. Speaker, I rise today in recognition of a group of individuals who have been of great service to me during the past 2 years. This group is the Agriculture Advisory Board for the 12th Congressional District of Illinois. The Ag Advisory Board met several times throughout the 103d Congress, including one meeting where members met with then-Agriculture Secretary Mike Espy.

The last 2 years were challenging ones for the agricultural community. In the summer of 1993, nearly every county in my district was declared a Federal disaster area due to severe flooding. The flood, of course, had a major impact on the agricultural community. While my office was helping individuals deal with the disaster associated with the flood, I was thankful for the vital role each advisory board member played in being an ambassador for me by sharing information about flood relief to other farmers in their community.

A major success for agriculture in the 103d Congress was the inclusion of ethanol in the reformulated gasoline program. The increased use of ethanol in cities that are not in compliance with Clean Air Act standards will help increase the value of corn, our State's most abundant crop. The Ag Advisory Board members led their peers in contacting administration and congressional officials about elevating the role of ethanol.

I commend each member for giving of his time and insights to help me make well-informed decisions. The members of my Agriculture Advisory Committee during the 103d Congress were Mike Campbell of Edwardsville, John Deterding of Modoc, Lawrence Dietz of DeSoto, Edwin Edleman of Anna, Greg Guenther of Belleville, Craig Keller of Collinsville, Marion Kennell of Thompsonville, Vernon Mayer of Cutler, Dave Mueller of East Alton, Larry Reinneck of Freeburg, Bill Schulte of Trenton, Jim Taflinger of Cache, and Lyle Wessel of Columbia.

I am pleased that these gentlemen will be staying on the Ag Advisory Board during the 104th Congress. Because of a limited amount of Federal dollars, each member's input will be critical to me as I review the various Federal programs contained in the farm bill. I look forward to working with each member on agricultural matters during the 104th Congress. I ask my colleagues to join me in recognizing these individuals.

50TH ANNIVERSARY OF CABLE AIRPORT

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. KIM. Mr. Speaker, I rise to salute the 50th anniversary of Cable Airport in Upland CA, located in the heart of the 41st Congressional District. This outstanding facility is the world's largest, privately owned airport used by the public. I would also like to take this opportunity to honor the Cable family for their many contributions and years of service.

Since 1945, three generations of the Cable family have committed hardwork and dedication to the building and preservation of this airport. At a time when most publicly used airports are owned by government or quasi-governmental agencies, founders Dewey and Maude Cable have demonstrated the successful spirit of entreprenurialism and have bolstered private participation in aviation.

Smaller airports like Cable play an important role in the economic development of the surrounding region. Our communities have grown to rely on the benefits aviation facilities like this have to offer. Today, Cable Airport continues to faithfully serve the transportation needs of San Bernardino County and the State of California.

I congratulate Cable Airport and the Cable family on this memorable occasion and wish them continued success for years to come.

FISCAL RESPONSIBILITY

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. PACKARD. Mr. Speaker, as a former dentist, I always stressed the importance of prevention as the best way to fight disease.

Last week Congress showed its commitment to better fiscal care with passage of the balanced budget amendment. Passing a Federal line-item veto gives the President the device he needs to prevent wasteful spending.

The line-item veto is one more prevention tool that will keep Congress under the watchful eye of the American people. It will make Congress more accountable to the people. The President can use his tool—the Federal line-item veto—to prevent Government's careless fiscal habits.

The American people demand a change in the way business is done in Congress. A Federal line-item veto will change how business is done.

IMPACT OF THE SAN DIEGO SUPERCOMPUTER CENTER ON SAN DIEGO AND THE STATE OF CALIFORNIA

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. BILBRAY. Mr. Speaker, since 1985 approximately $200 million has been invested in the San Diego Supercomputer Center [SDSC]. Of this amount, the National Science Foundation has contributed $150 million, the State of California $21 million, and a large number of other government agencies and industrial partners $25 million—in cash and kind. This investment has caused businesses to invest their computing dollars in California. McDonnell Douglas has purchased a large subscription of supercomputer CPU time to do design work on its new passenger aircraft, the MD–12, and the space station *Freedom*. General Dynamics housed all of its advanced computing in SDSC.

Encouraged start-up businesses and research consortia to site their headquarters in California.—SDSC's presence was a key reason the international thermonuclear experimental reactor [ITER] project sited its headquarters in San Diego. This project, valued at $1.2 billion, is a 10-year international collaboration among scientists in the United States,

Germany, Russia, and Japan to develop a nuclear reactor design.

Similarly, Supertek, a producer of minisupercomputers, decided to site its operation in California. The company has since been purchased by Cray Research, Inc. Minneapolis, MN, which has productized the machine to expand the range in capability and price of the supercomputers it sells.

As a result of close relationships with SDSC management, the editor of the journal Supercomputing Review decided to site his publishing operation in San Diego. The journal has since renamed itself High-performance Computing Review and has established a commercial electronic news service, which now serves over 11,000 subscribers.

Produced spin-off companies.—Two operations that were spun off from SDSC are Distributed Computing Solutions [DISCOS] and the California Education and Research Federation Network [CERFnet]. DISCOS produces a long-term file storage software product, called DataTree, that runs on a variety of hardware platforms. A UNIX-based version of this product, called UniTree, is now also being marketed. These systems have been purchased by a large number of supercomputing facilities around the country. DISCOS, formerly a division of General Atomics, was sold recently to Open Vision Technologies, Inc.

CERFnet, a division of General Atomics, is a regional communications network that connects academic institutions and private industry mainly in southern California with the Internet. It was begun with a grant from NSF. Recently, as a result of its success in operations and service, CERFnet was awarded an additional $4.5 million contract from NSF to establish a commercial business to provide information on electronic resources and services available on the growing, and itself increasingly commercial, Internet.

Employed over 110 professional staff and, at any given time, some 30 part-time students.—DISCOS and CERFnet together have provided an additional 3 dozen jobs in San Diego.

SDSC'S IMPACT IN OTHER AREAS

SDSC has had an impact on San Diego and the State in other areas that are more difficult to quantify. This impact has been noticeable in:

A more highly trained work force.—SDSC has trained hundreds of undergraduate and graduate students, many of whom have remained in California as skilled professionals in high-technology industry.

The next group SDSC has targeted for training is high school science and math teachers through the Supercomputer Teacher Education Program, funded by a $1.575 million grant from NSF. SDSC will work with over 40 teachers from primarily minority high schools in a 3-year program to teach them about computational science and help them incorporate the techniques into their class curricula. Each of those teachers, in turn, will train well over 100 students per year.

Advancements in computational hardware and software.—SDSC supports close collaborations with various vendors and academic researchers—many of them within California—to develop, implement, and integrate parallel processing systems, link them by high-speed networks, and develop software such as code debuggers, performance analyzers, resource managers, and accounting tools. The goal of this work is to make powerful computer systems easier to use by large numbers of researchers.

Greater scientific understanding of problems affecting day-to-day life. In some cases this insight has led to legislative action to curb the problems.—SDSC is involved in scientific collaborations that are leading to greater understanding of scientific problems such as AIDS and Alzheimer's disease, air/water pollution, and global change.

One project is focused on designing a drug to inhibit the HIV protease. The HIV protease consists of two molecules; separated, they are harmless, but when docked together they produce AIDS symptoms. Researchers are trying to inhibit the harmful activity by creating a drug that looks like one of the molecules so it will dock with the other, but has different chemical properties so the docking will not produce harmful effects. Researchers from SDSC, Duke University, and UCSF have produced such a model using Sculpt, a program that interactively models the underlying physics and chemistry of a molecule as it is designed. This work could not have been done without Sculpt, which removes human guesswork from the process and runs 100 times faster than other commercially available systems. The next step is to synthesize and test the molecule in the laboratory.

In another project, a study of smog in the Los Angeles basin led to changes in local abatement policies. This work was done in collaboration with the California Air Resources Board.

In a third project, Project Sequoia 2000, SDSC is part of a research team to develop an advanced information management system to improve the productivity of global change scientists. This system, with advanced storage, data management, visualization, and networking capabilities, is likely to have application to a wide range of other scientific disciplines. SDSC's participation in this project was critical to the University of California winning the $15 million Digital Equipment Corp. grant. For additional important scientific projects, see "SDSC's Effectiveness," below.

A heightened awareness among government and industry of the economic benefits to be derived from computational technology.—Because of SDSC's success, there is now interest in establishing a satellite supercomputer facility in San Jose that will create jobs, attract industry to that area, and promote local area networking.

SDSC and San Diego city government are discussing how to provide CPU power and computational expertise to local-area business for defense conversion and to enhance product engineering. They are also discussing how to implement a county-wide network to link government offices, academic-research institutions, libraries, medical facilities, and, eventually, homes to enhance information exchange, improve medical services, and promote economic development in general. In fact, SDSC Director Sid Karin has become a member of the City of the Future Committee created recently by San Diego Mayor Susan Golding. An early focus of this committee is county-wide telecommunications.

SDSC has some 45 industrial partners. These partners gain a competitive advantage by obtaining access to state-of-the-art computational technology for use in product engineering. This technology helps such businesses produce better quality goods in a shorter period of time. In addition, such businesses gain the opportunity to experiment with various hardware platforms. This allows them to choose the most appropriate systems for their needs without facing the impossibly high startup costs in hardware and personnel associated with establishing a full-featured high-performance computing facility.

SDSC'S EFFECTIVENESS

Additional evidence of SDSC's effectiveness is shown by the broad scope and tangible effect of the research being conducted. Below is a sampling of projects leading, for example, to new commercial products; a cleaner, safer environment; the development of new materials; and medical breakthroughs. Many of these projects are collaborative efforts lead by researchers at universities in California and State and Federal agencies.

Industrial engineering.—Plastic injection mold design work by GenCorp to create a more durable Corvette car body; and design work by Caltrans to simulate a crash test bogie, a typical small, 1,800-pound car used to evaluate the safety of breakaway sign and lighting supports along roads and highways. Another project involves evaluating the characteristics of a potential new material for pavement consisting partly of recycled tires.

Environmental and Earth science.—Modeling a sewage spill off the coast of San Diego, which provided important information about sewage outfall engineering, containment, and cleanup. Similarly, scientists have demonstrated the effects of tides, currents, and atmospheric conditions on the distribution of pollutants in San Francisco Bay. This work was done in collaboration with the U.S. Geological Survey in Menlo Park, CA; modeling regional and global climate to understand interactions between the atmosphere and oceans or to study specific problems such as the periodic development and dissolution of the ozone hole over Antarctica; and studying fluctuations in the Earth's gravity field to better understand the formation of the Earth's surface and the movement of continental plates.

Materials science.—Studying the structures of various molecules to better understand their properties and evaluate their potential use in synthetic materials.

Medical science.—Studying the causes of fibrillation in heart tissue, which can lead to sudden cardiac death syndrome killing some 500,000 people per year in North America alone; reconstructing ultrasound data computationally into three-dimensional images to diagnose health problems noninvasively; simulating the coiling and knotting processes of DNA, which have implications for fundamental biological activities such as replication, transcription, and recombination; and calculating the stress exerted on developing bones—this is one area where stress has been shown not only to be beneficial, but crucial for proper development.

HUNGARIANS IN THE WEST CALL FOR TRANSYLVANIAN SELF-DETERMINATION

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. DORNAN. Mr. Speaker, the American Hungarian Congress and the Hungarian National World Council held a joint meeting and conference in Cleveland, OH on November 25, 1994, and passed a joint resolution regarding the sad situation of the Hungarian and other minorities in Transylvania—Romania.

While I realize the practical obstacles standing in the way of such a resolution of the ethnic question in Transylvania, I would like to call the attention of my colleagues to the thoughtful and bold proposal the resolution is advancing. There is no question that the tangled ethnic issue which the post-Communist government of President Iliescu seems to be incapable, or even unwilling, to solve, needs courageous and new initiatives which can point the way to a resolution which all the parties are able to live with.

AMERICAN HUNGARIAN CONGRESS AND HUNGARIAN NATIONAL WORLD COUNCIL RESOLUTION

Whereas, the history of the Transylvanian Hungarians, ever since they were separated from the Hungarian nation by the Trianon and Paris peace treaties and became a national minority in Romania, clearly demonstrates that they can neither individually nor as an ethnic group exist in Romania under acceptable humane conditions; and

Whereas, in addition, as a result of Romanian nationalist discrimination and persecution, the Csángó-Hungarians of Moldavia are no longer listed on official Romanian statistics; and

Whereas, fifty years ago, about one million Jews lived in Romania, and today they number less than 20,000; and

Whereas, fifty years ago, about 800,000 Germans lived in Romania, and today their number is about 100,000; and

Whereas, at the present time, the number of Romas (Gypsies) in Romania is about five million, but Romanian statistics recognize only a few hundred thousands; and

Whereas, since the Peace Treaty *Diktat* of Trianon, Hungarians who perished in Romanian internment camps or fled the country are estimated to be more than one million;

Therefore, in the knowledge of the above facts, the Hungarian National World Council and the American Hungarian Congress request, in the name of the more than two million Hungarians living in the United States of America, and other countries of the Western world; that be it

Resolved, that the Government of Hungary and the other governments of the Conference on Security and Cooperation in Europe secure the continued existence of the 2.5 million Transylvanian Hungarians (who were separated from their Hungarian motherland by the Trianon and Paris peace treaties) in accordance with European democratic norms (e.g. Switzerland and Belgium), so that within the framework of an independent Transylvania the Hungarians, Germans, Romanians, Gypsies and other ethnic groups may exercise their self-determination and rights as associated nations.

In witness thereof, signed in Cleveland, OH in the United States of America, this 25th day of November, 1994.

WELFARE, TIME, AND MONEY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. STOKES. Mr. Speaker, as Congress considers reforming our Nation's welfare system, articles and editorials throughout the country are capturing some of the key elements of the debate on the issue.

Just recently our distinguished colleague from Missouri, BILL CLAY, during a hearing of the Committee on Economic Opportunities, elaborated on the need for a welfare system that provides education and training, child care and health care support for individuals. His words were subsequently captured in an editorial which appeared in the St. Louis Post Dispatch.

Mr. Speaker, I am pleased to share the Post Dispatch editorial with my colleagues. It is insightful and certainly worthwhile reading. I also take this opportunity to commend BILL CLAY for his continued leadership on the welfare reform issue, and other issues of importance to American families.

[From the St. Louis Post-Dispatch, Jan. 23, 1995]

WELFARE, TIME, AND MONEY

At times, the public debate over welfare is depicted in ways to suggest that liberals want to do nothing about the problem and that conservatives have all the right answers. If the debate continues in that vein, chances are the people who need help the most could get lost in the rhetoric.

Last Wednesday, at a hearing of the Committee on Economic Opportunities, the ranking Democrat, Rep. William L. Clay of St. Louis, tried to boil the debate down to sensible questions: Are there enough jobs for the 4.6 million adults now receiving welfare? Who will care for the children while their parents work?

At issue are not people who are capable of finding work immediately. Forty-six percent of them, Mr. Clay notes, have less than a high school education. And the skills of the rest are such that they wouldn't be able to find work that pays a sufficient wage to support families.

"If we want welfare to become a temporary support system," he said, "then we must provide the education and training and child care and health care support essential to long-term employment. But that will take time and money."

Precisely. Time and money.

But that's not all. Both the GOP and the Clinton administration have to acknowledge that many of the hard-core segment of the welfare population are just plain unemployable. A study done for the federal government noted that this segment includes many with lower IQs, among other problems, making it exceptionally difficult for them to move easily from public aid to private work.

Another issue worth more discussion is the sorry state of this nation's child-support payment system. Illinois is a good example. A state audit found that 62 percent of the court-ordered support cases lacked sufficient information, such as driver's license numbers and Social Security numbers, to collect payments.

The Republican administrations at the top of Illinois government certainly haven't demonstrated that their party has all the solutions to welfare. Washington can make it easier for states to track these so-called deadbeat parents, some of whom are known to avoid their responsibilities by moving to another state. Why not use Internal Revenue Service records to help states keep track of these parents and make them pay their fair share?

Meanwhile, both the Republicans and the administration would do well to acknowledge Mr. Clay's points that genuine welfare will take time and money. To say the problem can be solved quickly or cheaply is either a delusion or a deception.

TRIBUTE TO CAROLYN JOY QUILL

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. FOGLIETTA. Mr. Speaker, I rise on this occasion to pay tribute to Ms. Carolyn Joy Quill on the occasion of her retirement after more than 28 years of service at the Department of Health and Human Services and its predecessor agency, the Department of Health, Education, and Welfare.

In addition to working at the Department of Health, and Human Services [HHS] headquarters in Washington, DC, Ms. Quill has also served in the San Francisco and Philadelphia regional offices. Since 1989, she has been Regional Inspector General for Evaluation and Inspections in the Philadelphia regional office, where she was Director of an integral program of nationwide policy studies that provided Federal decisionmakers in both Congress and HHS with practical, reliable, and timely information and advice. Ms. Quill has also served in the Office of the Inspector General, the Public Health Service, the Office of Education, and the Social Security Administration.

As is evidenced by her many service-oriented positions, Ms. Quill is extremely active in community affairs. She founded and served as the first president of a local Philadelphia civic association, and in 1990 was honored with a citation from the Philadelphia city council in recognition of her dedication to civic affairs. In addition to these distinctions, Ms. Quill has received numerous Inspector General Achievement Awards, and is listed in the 1988 edition of "Who's Who of American Women." I join with Ms. Quill's friends, family, and coworkers in congratulating her on her retirement.

PROVIDING FOR THE PROTECTION OF PRIVATE PROPERTY RIGHTS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. FIELDS of Texas. Mr. Speaker, along with my colleagues, I am introducing the "Private Property Owners Bill of Rights," to require certain Federal agencies to protect the rights of private property owners in America.

Our Republic was founded upon the ancient and sound principles of ownership, use and

control of private property. These principles of stewardship were embodied by our Founding Fathers in the fifth amendment to the Constitution, prohibiting the taking of private property without the payment of just compensation.

Today, a number of Federal environmental programs, specifically the Endangered Species Act of 1973 and section 404 of the Federal Water Pollution Control Act have been implemented by employees, agents, and representatives of the Federal Government in a manner that deprives private property owners of the use and control of their property. The result is that private property owners are being forced by Federal policy to resort to extensive, lengthy, and costly litigation to protect certain basic civil rights guaranteed by the Constitution.

As new Federal programs are proposed that would limit and restrict the use of private property to provide habitat for plant and animal species, the rights of private property owners must be recognized and respected. A clear Federal policy is needed to guide and direct Federal agencies with respect to their implementation of environmental laws that directly impact private property.

Therefore, it is the purpose of this act to provide a consistent Federal policy to encourage, support, and promote the private ownership of property and to ensure that the constitutional and legal rights of private property owners are protected by the Federal Government, its employees, agents, and representatives.

HONORING CAL KLEINMAN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. ACKERMAN. Mr. Speaker, I rise today to join with the constituents of my district in honoring Mr. Cal Kleinman, president of Bennett X-Ray Technologies, for his exceptional show of kindness and generosity.

Showing a remarkable combination of spiritual and physical sensitivity, Cal Kleinman traded an $85,000 cutting-edge mammography machine for a priceless, 300-year-old Torah—a prayer scroll containing the first five books of the Old Testament—that for 50 years had been lying in the basement of a drugstore in a small town less than a mile from the Auschwitz concentration camp. The town desperately needed the medical equipment, but had no way to pay for it. The only thing it had to offer were 18 Torah scrolls that had lain unnoticed since the defeat of Nazi Germany at the end of World War II. Mr. Kleinman jumped at the opportunity to help the developing country and to gain the Torah for his temple.

Through a complex network of deals and negotiations that brought the scroll to New York via Rome, Chicago, and Cincinnati, the first Torah scroll arrived in New York on January 30, 1995. Its permanent home will be Temple Beth Torah in Melville.

Mr. Speaker, I ask all my colleagues in the House of Representatives to join me in honoring Mr. Cal Kleinman for his incredible act of benevolence.

REMEMBERING ELIZABETH MARRA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. HOYER. Mr. Speaker, the inevitability of death does not diminish the shock when it arrives prematurely and unexpectedly.

Thus came my friend, Elizabeth Julia (Betty) Marra's death: unexpected, premature, unwelcome.

Those of us who had been her friend through the years, and who, just days ago, had worked with her and experienced her enthusiasm and energy have great difficulty in contemplating her absence.

Betty Marra and I graduated from the same high school—Suitland—two years apart. We were contemporaries. Therefore, more than most, I know she has died too young. We did not know one another in high school, but soon thereafter we became friends as members of the Young Democrats of Prince George's County.

She loved politics and it was a very large part of her life. And in almost every campaign during the past 30 years, Betty was there: involved; leading; following; helping; encouraging; and making a difference.

She had come, like so many of us in Prince George's County, from someplace else. But this was home and this was where she made a difference. She worked for, taught, learned from, and greatly helped so many of us who have been given the privilege and honor of elected public service. From the great chairman of the House Judiciary Committee, Peter Rodino; to Representative Leon Galvin of Pennsylvania; to my friend, Representative Bill Hughes of New Jersey. And, of course, she participated as a member of the staff of the historic Impeachment Inquiry Committee in 1974.

Her longest continuous employment was, appropriately, with her dad—the patriarch of the wonderful Procopio family, which, like Betty, has made such a positive contribution to the life and wellbeing of our community.

Betty always reflected warmth and graciousness of her mother Rose; and evidenced by the love of her brothers: the late Alfonso, Jr., Ray, and Joe, and her sisters, Josephine and Linda. And, I can remember well, Julio as early as the 1960's, and the contribution he has made, as well. Thank you Julio, for what you have meant to so many of us.

Elizabeth Julia Marra was a special person, who reflected what Hubert Humphrey referred to in 1968 as the joy of politics. In talking to her sons, Al and Michael, they commented on that joy she shared. The excitement she derived from and brought to her involvement in the political process at the county, State, and national levels. From precinct official to President were persons she respected for their effort and their commitment.

Betty Marra was contagious. And so many of us caught her spark and carry it with us today. We will remember her and her vitality, her optimism, her drive, her warmth, her faith, her love of life and of all of us.

History chronicles the contributions of a few and we call those individuals famous. Betty was not famous. But, Betty Marra did what all of us should do; she gave freely of her time and talent to make her community and country better. She did what President Kennedy urged each of us to do and she did not "ask what her country could do for her, but what she could do for her country."

And, as she did, she joined the ranks of thousands who have played a part in preserving and protecting the great Nation we love as the "land of the free and the home of the brave." And so, for what she did for each of us; and what she did for me, I say, "Thank you Betty, we miss you."

DATABASE FOR TRACKING VETS' ILLNESSES RELATED TO VIETNAM SERVICE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. GEJDENSON. Mr. Speaker, I rise today to introduce legislation which will establish a database within the Department of Veterans' Affairs to track patterns of illness experienced by our Nation's veterans.

In the 1950's, submariners in southeastern Connecticut were treated with radium exposure to the base of the brain. It's only recently that the Federal Government is beginning to recognize that veterans may have significant health problems as a result.

In the 1960's, we sent our troops into Vietnam. It wasn't until years later that troops suffering debilitating diseases as a result of exposure to Agent Orange received help.

In 1990, we sent our troops into the Middle East. It wasn't until the end of the 103d Congress that the mystery illnesses plaguing Gulf War vets were recognized as service-connected disabilities.

The Federal Government is beginning to respond quicker, but our veterans deserve better.

Our troops have just returned from Somalia, and will soon return from Haiti. We do not know if they are sick as a result of their service, but we shouldn't wait for years before we try to find out.

My bill would pro-actively look for health problems in service personnel and veterans beginning with those troops who returned from Somalia and continuing with all combat troops in the future.

It will establish a database in the VA to track disability claims, health screenings and individual phone calls looking for patterns of illness. The database will also include the spouses and dependents of veterans who may be ill due to the veteran's exposure. Finally, the database will be completely confidential and information will only be included with the individual's consent.

When we ask our troops to put their lives on the line in defense of our country, they do not say "we are too busy right now, maybe in a few years." They respond immediately. When they get sick as a result of their service, the U.S. Government has an obligation to respond immediately—not in a few years.

I hope other Members will consider co-sponsoring this important legislation.

RETIREMENT OF JOHN RECK

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. MURTHA. Mr. Speaker, I would like to take a moment to note the retirement of John Reck, the chairman of the United Steelworkers Association's Pennsylvania legislative committee.

John has spent 43 years with the USWA in Pennsylvania, serving in virtually every elective and appointive office in the organization. He has served as a member of various boards and commissions in the Commonwealth, and has been instrumental in negotiating labor agreements for the USWA in Pennsylvania.

I would like to take this opportunity to congratulate John and wish him well in his retirement. The USWA loses an important figure with his retirement, but John Reck has made the USWA in Pennsylvania a stronger and more effective organization through his work. His legacy will continue to influence the USWA in Pennsylvania, and his efforts on behalf of steelworkers will be long remembered.

SALUTING UNITED JEWISH APPEAL-FEDERATION OF NEW YORK

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mrs. MALONEY. Mr. Speaker, I rise today to recognize the good work of United Jewish Appeal-Federation of Jewish Philanthropies of New York.

This week marks UJA-Federation Week, a program featuring activities at community agencies, synagogues, and schools to promote awareness about UJA-Federation and the services it provides. Sunday, February 5, UJA-Federation will hold its annual Super Sunday development event.

The funds raised during Super Sunday will enable UJA-Federation to help 4.5 million people in New York, Israel, and over 50 countries around the world. UJA-Federation helps the Jewish community and New Yorkers from all backgrounds, including children, the aged, the poor, immigrants and refugees, single-parent families, the sick, the disabled, the homeless, and people with AIDS.

Mr. Speaker, it has been my great pleasure to work with UJA-Federation to help those in need, and I would ask that my colleagues join me in celebrating UJA-Federation Week as well as Super Sunday.

THE HIGHER EDUCATION ACCUMULATION PROGRAM [HEAP]

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Ms. ESHOO. Mr. Speaker, I am proud to sponsor the Higher Education Accumulation Program [HEAP] Act of 1995. This legislation would allow parents to make tax deductible contributions to IRA-like savings accounts earmarked for their children's college or vocational education.

Higher education has often become a matter of checkbooks as much as textbooks. When I first introduced HEAP last year, it was one of the few serious efforts attempting to help middle class families with climbing costs of higher education. I am pleased that my efforts put the issue on the radar screens of the Clinton administration and congressional Republicans. Last December, the President offered a tax deduction for college education and the GOP has reintroduced the American dream savings accounts. My bill will become part of the larger move in Congress to assist the middle class, promote higher education, and encourage greater savings by the American people. In short, this legislation makes a heap of good sense.

A recent study by the investment management firm T. Rowe Price found that in 11 years it will cost over $71,000 for a child to earn a 4-year degree from a public college and more than $139,000 for a child to attend a private university. HEAP will help middle class families whose kids do not qualify for low-interest student loans or other Government-subsidized education aid to meet these costs. Parents need an alternative. They should not be asked to liquidate their retirement savings or mortgage their homes to pay for higher education, and HEAP provides that alternative.

Parents and colleges are already well aware of this financing problem and are taking steps to address it. For example, a funding education committee was formed by the Kenyon College Alumni Council to explore cost projections for attending their school in the years ahead. Alumni, parents, faculty, and administration personnel spent over a year looking at costs, public policy issues, and financing ideas. They were shocked to discover that, assuming a moderate annual inflation rate, it will cost approximately $250,000 for students to obtain a 4-year degree if they enter Kenyon College in 2010.

Mr. Speaker, Kenyon College, its alumni council, and its funding education committee deserve a great deal of credit for addressing this problem. In particular, I would like to commend Neal Mayer, immediate past president of Kenyon's Alumni Council, for bringing this matter to my attention and developing the concept incorporated in my legislation. Not only has the Kenyon Alumni Council helped draft this bill, but it is also spearheading a grassroots drive to generate support for HEAP among various college parents, alumni, and officials across the country. I hope that many of my colleagues will soon hear from these HEAP supporters and cosponsor this important legislation.

The HEAP Act would allow parents to deposit up to $5,000 per child each year in a college savings account with a maximum allowable deduction of $15,000 per year. When money is withdrawn from a HEAP account for education purposes, one-tenth of that amount would be included in the gross income of the beneficiary for tax purposes over a 10-year period. The legislation also includes a 10-percent penalty for money withdrawn from a HEAP account for purposes other than paying for higher education.

Mr. Speaker, this legislation provides a HEAP of relief for middle-class families who are often not eligible for low-interest student loans and other Government aid. By encouraging these families to save for their children, we help give future generations access to all the advantages of higher education. I urge my colleagues to support the HEAP Act and pay tribute to those who shaped this worthy legislation.

ISRAEL H. MILTON HONORED

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mrs. MEEK of Florida. Mr. Speaker, next week Israel H. Milton, the Assistant Dade County Manager responsible for human services programs, will retire from our county government. I want to join with his many friends and admirers throughout our entire community in extending to him our thanks for his outstanding service and our congratulations for a job well done.

Israel Milton is a public servant in the very highest and best sense of the word. He is a veteran of more than three decades hard work and achievement in the area of social services.

Never one to shy away from difficult assignments, Israel Milton began his career in Dade County in 1967 as a social services administrator at the Kendall Children's Home. He also served as director of the Office of Neighborhood Service Centers and director of the Model Cities Program; became director of the Department of Human Resources in 1982; and rose to assistant county manager in 1992.

The talents and judgment he brought to these jobs and the breadth and depth of his experience will be sorely missed; people of his calibre are not easily replaced. He has always been accessible to the people of our community, constantly working to provide quality services and a better life for all our citizens.

Israel Milton is a graduate of Dorsey High School in Miami and Bethune-Cookman College. He received his master's degree in social work from Atlanta University.

Mr. Speaker, I want to extend my best wishes to Israel Milton and to his wife, Thelma Milton. Our community thanks you for your service and for the contribution you have made to the lives of so many people.

"PAID VOLUNTEERISM": AN OXYMORONIC IDEA

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. SOLOMON. Mr. Speaker, I commend George Will's article in the Saturday, January 28th edition of the Washington Post for your attention:

TWO LIBERAL LOSERS

(George F. Will)

President Clinton's turbid State of the Union address was a metaphor for modern government—sprawling, metastasizing, undisciplined, approaching self-parody. It underscored the fact that his administration now is politically almost harmless, but is aesthetically excruciating.

The address was heavily larded—exactly the right word, that—with semi-conservative words about cutting taxes, spending and regulations. However, regarding two matters Clinton considers crucial—the American Corps "national service" program and the minimum wage—the address was half-baked and half-hearted liberalism.

AmeriCorpos, says Clinton, will revive American volunteerism. The approximately 80 million Americans who volunteer their time to religious and civic organizations may wonder who needs reviving and how much it matters whether AmeriCorps eventually produces 100,000 more volunteers. Today 2.9 million of America's 80 million volunteers are ages 18 to 25, the ages of AmeriCorps "volunteers."

To Americans who use the English language to communicate thoughts rather than parody them, the use of the word "volunteer" in connection with AmeriCorps' recruits must seem like the latest redundant evidence that Washington is stark raving mad. To plain-speaking Americans, a volunteer is someone who contributes his or her unpaid labor. Clinton's "volunteers" will be paid a $7,400 annual stipend, plus $9,450 worth of college expenses over two years. And this is not all that Clinton's little puddle of government-manufactured "volunteers"—little relative to the 80 million true volunteers who need neither financial incentives from, nor organization by, government—will cost taxpayers.

In addition to the health and childcare entitlements for AmeriCorps members, and AmeriCorps' Washington bureaucracy, money is spent to locate "volunteers" to take AmeriCorps money. The Omaha World-Herald says that AmeriCorps gave Nebraska's state government a $457,622 grant to recruit 23 AmeriCorps members. That $19,896.60 per recruit calls into question the effectiveness of the $1.7 million AmeriCorps paid a Washington PR firm for national advertising.

According to the New Citizenship Project, a conservative advocacy group, of AmeriCorps' first 20,000 "volunteers," 1,200 are working for agencies of the federal government. The New Citizenship Project warns that AmeriCorps is ripe for politicization, citing a Washington Monthly report that a 1993 pilot project became an exercise in identity politics and political correctness, developing ethnic and homosexual caucuses. And the Los Angeles Times reported that a 1994 pilot project in San Francisco used its "volunteers" to protest "three-strikes-and-you're-out" crime legislation."

Clinton calls AmeriCorps the achievement "I would say I was most proud of." No minimum wage increase will be rival for that title.

In 1992 candidate Clinton endorsed increasing the minimum wage. During 1993 and 1994, when he had a congressional majority that would have done it, he did not ask for it, primarily because some sensible Democrats told him it was a dumb idea. Al From, head of the centrist Democratic Leadership Council, which once advertised Clinton as a New Democrat, says of the minimum wage proposal: "It's anachronistic, it's a loser, it's got no bite with the middle class. And it screams old Democrat."

Now that there is a Congress that Clinton knows will not enact an increase, he calls it urgent. However, during Tuesday night's oration, when he was pitilessly detailed about almost everything, he remained reticent about how much the minimum wage should be increased. Leaving aside the unwisdom of government telling employers what to pay employees, it is generally true that when you increase the cost of something, people buy less of it. There is evidence that is true of labor at the low end of the wage scale.

The first federal minimum wage—25 cents an hour—was enacted in 1938. Since then, the longest time between increases was from 1981 to 1990. During that span, teenage unemployment (teenagers are a third of all minimum wage earners) fell from 23.2 percent to 15.5 percent, and black teenage unemployment fell from 48 percent to 31 percent. Then the forces of compassion struck, raising the minimum wage twice, in 1990 and 1991. In 1992 teenage unemployment went up to 20 percent.

Now, it is problematic establishing causation for any phenomenon as complex and varied as joblessness. And some studies, including one by associates of the current secretary of labor, purport to show that the minimum wage can be increased somewhat without increasing unemployment. However, the question is academic because a former academic—Rep. Dick Armey, the ex-professor of economics who now is majority leader—says he will oppose an increase "with every fiber of my being," and he will have much company.

But this is of more than academic interest: The minimum wage is now $4.25 an hour. Clinton is said to be thinking about seeking $5 an hour. The New Citizenship Project calculates that AmeriCorps "volunteers" earn more than $7 an hour.

SALUTE TO CHICAGO ATTORNEY AND FORMER ALDERMAN LEON DESPRES, ON THE OCCASION OF HIS 87TH BIRTHDAY

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. RUSH. Mr. Speaker, I rise this afternoon to salute a gentleman who is a Chicago institution and a lifelong friend of the underdog and of the working Chicagoan. Leon Despres, who turns 87 years young today, played a crucial role in the Chicago City Council during the senior Richard Daley's tenure as mayor of Chicago. This role, that of the loyal and principled opposition, is one that my Democratic colleagues and I are growing to appreciate more and more as we settle into our new roles in the 104th Congress. Unfortunately, I did not have the honor of serving in the Chicago City Council during the 20 years that Mr. Despres served there. However, he served as Parliamentarian of that body under the late, great Mayor Harold Washington during my first few years in the Council. Len Despres is well known as a tireless advocate of such bread-and-butter issues as racial equality, civil rights, fair housing and open government. Unlike so many of his contemporaries, he advocated many of these controversial issues during a time before they were fashionable and frequently did so in the face of great opposition. Mr. Speaker, the *Chicago Tribune* published an article about Mr. Despres in its January 22, 1995 edition, and I submit this article, which captures the essence of Mr. Despres quite accurately to be entered into the CONGRESSIONAL RECORD in honor of Mr. Despres' 87th birthday.

[From the Chicago Tribute, Jan. 22, 1995]

STILL IN THE SWIM

(By M. W. Newman)

Leon Despres gets to bed around 9 o'clock on most weeknights and sleeps the sleep of babes and sages. At 4:50 a.m. he's up and ready to go. That's the Despres way.

Thirty-five minutes later, he's downstairs at 59th Street and Stony Island Avenue, waiting in the icy darkness for the CTA's No. 6 express bus. It's a January morning, 4 degrees above zero. A prairie wind shivers in. No problem: Despres has had 86 years of getting used to it. Nearly 87.

The No. 6 at this hour is a working folks' bus. The passengers are regulars. As on most mornings, Despres is the only white person aboard. Almost certainly he is the only 86-year-old. Beyond doubt, on this trip he is the only Loop lawyer, former alderman and certified civic role model, all in one.

The bus' swings downtown along South Lake Shore Drive. Despres loves the lakeside run but notes the pileup of parking lots and convention halls and traffic ramps where trees or open water once held sway.

"Civicide" is one of his words for voluntary treeslaughter. Until a few years ago, he enjoyed bicycling to work on the lakefront until he was rammed from behind and knocked cold by another biker.

"I took that as a warning; you can't hear a bicycle," he says—and gave up the bike for early-a.m. swimming.

By about 5:50 on this morning, as on all weekday mornings, he's in the University Club, a polished neo-oldie cloister at 76 E. Monroe St. The club building dates from 1908, the year Despres was born at 41st Street and Michigan Avenue. It has dark wood paneling and baronial fireplaces, but he skips all that and is in the basement pool by 6 a.m.

Despres is not there to float around. He does his 52 laps, a half-mile, moving from backstroke to breast stroke to crawl as steadily as a swimmer a quarter of his age.

Usually a half-dozen other swimmers join him. But no one else even shows up on this ice-cold morning.

"The whole gang chickened out," he says with a laugh.

He's in the water by himself for 42 minutes, comes out lit up and follows with poolside coffee, rolls and bagels: the Despres routine.

"It makes my day," Despres says in that strong, clear voice of his. "Absolutely makes my day."

But his day is just starting. By 7:45, Monday through Friday, he's in his office at 77 W. Washington Blvd. for a full round of work. He doesn't knock off till 5:15.

Leon Despres, generally known by his nickname of Len, is an enduring natural wonder of Chicago. For 20 years ending in 1975, Despres was the City Council's independent icon, the finger-wagging conscience from Hyde Park snipping at old Boss Mayor Richard J. Daley and the party machine.

Daley has been dead since 1976 and the machine long since has lost firepower, but Despres goes on. He thrives on lawyering,

the hands-on kind. He relishes phone calls, conferences, clients new and old.

He's not a man for long lunches, and sometimes grabs a salad at Morton's Cafeteria, an old-line hangout for old-line Lop types at 120 W. Madison St. He takes time out only for a half-hour afternoon nap "to recharge my batteries." Office routine elates him.

"I enjoy clearing titles, drafting wills, advising people," he says. Mind you, this has been going on since he started practice in 1929.

The man is an institution: the Phi Beta Kappa liberal, independent Democrat and best friend of underdogs who wouldn't go along and consequently never got to be a judge or a congressman.

In his time in office you couldn't beat City Hall, and Despres didn't. But now try walking with him anywhere near that hall without someone coming up and saying, "Hello, Alderman."

"Everybody wants Leon's blessing," says his friend Herbert M. Kraus, a veteran publicist and civic doer. "He's a Renaissance man in hustling Chicago."

Despres may not hustle, but he gets there just the same. He's tall and erect, with an assured manner, handsome features, silvery hair and a silver tongue to go with it. These days he's trying to take off 10 or 15 pounds. Otherwise he doesn't look all that different than he did during his warrior times in the council.

"Leon was born with a great deal of energy and can do whatever he sets out to do," says his wife, Marian. She is an eminent Chicagoan herself and a member of the Chicago Landmarks Commission. But when he gets up early to go swimming, she confides, "I roll over and go back to sleep."

'HORATIO AT THE BRIDGE'

Despres' fan club includes some members who at times crossed swords or at least words with him. Seymour Simon, now 79 and a former justice of the Illinois Supreme Court, was an alderman and ward committeeman in the Daley vs. Despres years. He calls Despres "the best alderman in the United States."

"He was Horatio at the bridge," says Simon. "Wise, brilliant, with a great grasp of details and sense of humor."

John Hoellen, 80, served with Despres from 1955 to 1975. Hoellen was that exotic aldermanic import, a Republican.

He and Despres once got into a row over a James Baldwin novel that was required reading at Wright Junior College. It wasn't any of the City Council's business, but Hoellen challenged Despres to read aloud some of the homoerotic passages. Despres replied by asking Hoellen if he would ban the Bible because it had sex in it.

But all that was 30 years ago. Hoellen now describes Despres as a "super person, thoughtful, considerate, decent, compassionate."

Probably nobody, however—starting with Despres—expected him to go on being a successful lawyer into his late 80s. He is at a peak of achievement, says his 45-year-old partner, Thomas Geoghegan.

Despres long has been an attorney for labor union, and his clients in the firm of Despres, Schwartz and Geoghegan now include the Teamsters under the reform leadership of Ron Carey.

In the 1980s, Geoghegan was the firm's point man in an embittering fight to win a settlement for the bereft employees of Wisconsin Steel after it shut down. A $14.8 million payout was awarded in 1988. Despres' Steeltown ties go back a long way—to the days when there really was a Steeltown.

Ed Sadlowski once was the youngest district director in the United Steel Workers of America, with Despres as his attorney. Sadlowski hadn't even been born in 1937 when Chicago police killed 10 labor demonstrators at a Memorial Day gathering. The shooting came to be known in labor history as the Republic Steel Massacre.

In the stunned aftermath, a protest rally was held in the Civic Opera House. "Did you know Despres helped to organize the rally?"says an admiring Sadlowski.

"He's had 60-odd years of being consistently good. He was over at my house the other day and he's as sharp as ever. I wonder what he drinks that keeps him that way."

Said Sadlowski's wife, Marlene: "Exercise!"

REMEMBERING CLARENCE DARROW

Like Cole Porter penning a lyric, Despres always seems to know what his next word should be. He can spout in four languages and quotes Thucydides, Ovid, Homer, Shakespeare and the fabled Chicago lawyer of yester-year, Clarence Darrow.

Darrow died in 1938, but Despres recalls a long talk he once had with the brooding old titan. "He had an office right in this same building," he says. "We keep his photograph in our conference room. He was an inspiration, a great trial lawyer—selflessly interested in the fight against discrimination and the death penalty."

Every year on the anniversary of Darrow's death, Despres helps to conduct a memorial ceremony for him in Darrow's beloved Jackson Park.

Despres, of course, is not the rumpled, suspenders-thumbing showman and yarn-spinner that Darrow, was. He keeps his hair combed, wears a pressed suit and a neat tie, and cannot be accused of cracker-barrel charisma.

But Despres has shown how to bring "justice to the city," Geoghegan wrote in "Which Side Are You On?" his impassioned book about organized labor published in 1991.

Despres never has left much doubt about which side he is on. The elder Daley's gumshoes spied on him for years, it turned out after Despres left the council. They may have wondered why they bothered, because he seemed to favor lost causes and oddball fancies like racial equality and fair housing, civil rights, open government, budget economy, freedom from censorship, controls on lead-paint poisoning.

Despres was even tailed to a Halloween benefit party in 1972 at the First Unitarian Church on 57th Street.

But a funny thing happen on the way to the 21st Century. Musclebound Chicago loosened up. Despres has lived long enough to see many of his causes embraced or least grudgingly accepted by the party wheelhorses.

"You don't have the top-heavy load of payrollers anymore," says Hoellen. "There's more sensitivity to problems."

BATTLING THE BOSS

But there's less comic relief. Despres' tiffs with Boss Daley, sire of the present mayor, had an "Odd Couple" sense of antic timing. The Boss was maximum leader of the troops, had the votes and presided over the City Council, so he couldn't lose.

Despres learned early to talk fast before the beet-faced mayor could grow irritated and cut off his aldermanic microphone. That happened at times. "I couldn't count on any 10 minutes," Despres explains.

Seymour Simon summons up remembrance of a Daley-Despres sideshow of the late 1960s. Despres "was the instigator" on that occasion, according to Simon, and was needling the Boss about his choice of a new police superintendent. It was a ticklish matter. Chicago had never fully reclaimed face after a 1960 "burglars-in-blue" scandal that was all but etched on the city seal.

Daley flared back and called Despres "a faker," Simon remembers.

That brought Simon into the game. He urged the mayor to cool it. At the time, Simon had begun wearing his hair in a replay of Samson before Delilah got her shears. Baseball players and hard hats often look that way now. But in the 1960s hair around the ears looked like aldermanic heresy to the Boss.

"Why don't you go get a haircut?" he snapped at Simon.

Legend has it that Despres proposed that the council's forestry committee set standards for the foliage of aldermen, though he says he doesn't remember that quip now.

Even that wasn't the last word.

Two days later, Daley telephoned Simon.

"Sis [Daley's wife, Eleanor] tells me I got to apologize," he said.

"No need," Simon replied. "We're grown men."

"Sis tells me I got to apologize," the Boss repeated.

A CIVIC LANDMARK

Despres rarely heard apologies. Ald. Vito Marzullo despaired of him as a "nitwit." Ald. Thomas Keane, Machiavelli of the council, complained that Despres was a "loudmouth." That was before Keane was sent up for mail fraud.

Aldermen who stayed clear of prison yelled "shut up" at Despres. He never did. What's more, he remained on the council scene after retiring from it by serving as parliamentarian for two mayors: Jane Byrne ("always interesting and she gave great parties") and Harold Washington ("a great mayor"). It was all in a day's routine for a man used to 100-hour work weeks when he was an alderman.

Despres never was your trademark civic father. He is a connoisseur of books, opera, theater, architecture, food, fine wines and world travel.

He founded the Friends of WFMT to support that FM radio station in a struggle with its board. His firm went into battle to ensure that the station would maintain its fine-arts character.

But Despres is first of all and most of all a Hyde Parker. He went to school there, he built his political base there. In 1967 he was mugged and shot there, on 55th Street, and lived to explain that it could happen anywhere.

He and his wife—who have a son, Robert, in Connecticut, and a daughter, Linda Baskin, in Chicago—have been married for 63 years. They celebrated their 60th by chartering a cruise boat and inviting some 200 friends to join them. In the Despres mode, the voyage was educational as well as sentimental: skyline sightseeing with a tour guide. The boat explored Chicago's Old Ma River, both branches, and Len says: "It's the greatest Chicago trip. You see the buildings in a way you never saw them before."

Despres will be 87 on Feb. 2, a Thursday. He expects it to be a workday as usual. He'll board the No. 6 bus in the darkness, swim 52 laps or maybe more, have a bagel and coffee, and get to work.

"I have been very fortunate," he says.

And that is Chicago's own good fortune.

THE IMPORTANCE OF RESEARCH AND DEVELOPMENT

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mrs. JOHNSON of Connecticut. Mr. Speaker, the single biggest factor behind productivity growth is innovation. Two-thirds to 80 percent of productivity growth since the Great Depression is attributable to innovation. In an industrialized society, research and development is the primary means by which technological innovation is generated. However, because firms cannot capture fully the rewards of their innovation—the rate of return to society of innovation is twice that which accrues to the individual company—the market activity alone creates under-investment in R&D. The situation is aggravated by the high risk associated with R&D. Eighty percent of such projects are believed to be economic failures. Therefore, economists and technicians who have studied the issue are nearly unanimous that the Government should intervene to bolster R&D.

If the United States fails to provide U.S. companies with competitive incentives to conduct R&D, many U.S. firms in key industries—aerospace, electronics, chemicals, health technology, and telecommunications, to name a few—will find it harder to compete in an increasingly globalized marketplace, jeopardizing their leadership positions.

For the past 13 years we have had an R&D tax credit, designed to provide an incentive for companies to conduct additional R&D in the United States. Some, myself included, believe the credit structure can be improved to increase its effectiveness, especially regarding small business and high-technology industries. As the marketplace changes and industries mature, we must continue to improve the effectiveness and utilization of this important program. We have made such changes on no fewer than four occasions in the past. Most importantly, however, we must remove the uncertainty surrounding the credit's extension and once and for all permanently extend the provision. Study after study has established that the credit's uncertain future reduces its ability to continue stimulating additional increases in R&D expenditures.

To the extent that researchers in American laboratories are able to pioneer the new technologies, processes, and products that will drive global markets, we will be able to offer skilled and highly paid jobs to the next generation of Americans. That is why we must now underscore our permanent commitment to a leadership role in global technological advancement. If we fail to act, the R&D credit will expire in June of this year. Such failure is the opposite message we should be sending to U.S. businesses that are gearing up to meet the challenges of a rapidly changing, global marketplace.

As we prepare to enter the 21st century, we must remain committed to providing an environment that fosters technological investment and scientific exploration. America's continued economic well-being depends on it. Such investment creates more and higher paying U.S. jobs, increases productivity, and, in turn, increases the U.S. standard of living.

There is considerable discussion, on both sides of the aisle and within the Administration, about smaller government, less regulation, and market incentives as opposed to Government-dictated solutions. The R&D credit is an example of a successful program by which the Federal Government has encouraged market forces to dictate where and when innovation and technology should occur. The most recent study on the issue, prepared by KPMG Peat Marwick's policy economic group, concludes that "a one dollar reduction in the after tax price of R&D stimulates approximately one dollar of additional private R&D spending in the short run, and about two dollars of additional R&D spending in the long run." That, in turn, implies long run increases in GDP. Thus, an effectively targeted R&D credit can help set the pace of growth and should not be allowed to expire.

Currently the Government spends over $71 billion per year on nondefense R&D. This spending will, and should, come under scrutiny with the rest of Federal spending. This spending can be cut without reducing our commitment to U.S. commercial leaders of the technological revolution. I believe a permanent R&D credit should be enacted as part of a meaningful, market-driven program to stimulate R&D, and I sincerely hope such action can be completed before the June 30, 1995, expiration date.

I am pleased to be introducing this legislation with my friends and colleagues, Representatives ROBERT MATSUI, WALLY HERGER, and RICHARD NEAL. I intend to work actively to ensure a permanent extension of the R&D credit and encourage all my colleagues, on both sides of the aisle, to work with me in this important endeavor.

AGRICULTURAL LANDS PROTECTION ACT OF 1995

HON. JOHN N. HOSTETTLER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. HOSTETTLER. Mr. Speaker, today I am introducing the Agricultural Lands Protection Act of 1995. This bill is meant to provide fundamental change in the approach taken toward deciding how land can be used. It grants owners of regularly farmed land freedom from overzealous regulators and it would end the withholding of farm program benefits as a penalty for farmers farming their land.

The Agricultural Lands Protection Act of 1995 will not jeopardize ground water quality. It will not inhibit the numerous private sector efforts to restore and conserve true wetlands.

How a property owner uses his or her land should determine how that land is classified. Water levels and vegetation types should not take precedence over the property owners' land needs. We can make significant strides toward helping farmers and ranchers economically by simply getting these burdensome regulations out of the way.

Farmers are the true conservationists. Nobody appreciates more the need to take care of the land. Their livelihoods depend on it. But a low spot in a field that holds water after heavy rain is not the ideal habitat for ducks. If it has been farmland, it should stay farmland until the property owner decides otherwise. I urge all members to cosponsor and support this valuable bill.

BIG BROTHER AND THE SECOND AMENDMENT

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. BAKER of Louisiana. Mr. Speaker, today I introduced legislation to eliminate the new regulatory authority of the Bureau of Alcohol, Tobacco and Firearms [BATF] to ban firearms without congressional approval. You will certainly recall that last year, the Clinton crime bill authorized the BATF to enforce a ban on 19 semiautomatic guns while granting the BATF the discretion to ban additional firearms in the future without congressional approval.

Most people don't realize that along with the 19 semiautomatic firearms that are banned specifically by the assault weapons ban, the Clinton crime bill gives the BATF broad authority to define what other firearms qualify as assault weapons and then to ban these rifles, shotguns, and pistols as well without further congressional approval.

On May 16, 1994, I, and many of you, voted against the assault weapons ban, which passed the House of Representatives by a narrow vote of 216 to 214. As with every gun control measure, I voted against the ban because it does nothing to keep felons off the streets and behind bars, and it serves only to infringe upon the constitutional rights of law-abiding citizens. In my opinion, giving BATF and the Clinton administration the blanket authority to ban more guns was the worst part of the crime bill. The legislation I introduced today would repeal this authority and close the open door to BATF to ban further guns.

I am proud to introduce this legislation today with the bipartisan support of 12 other original cosponsors. As continued opponents of gun control efforts in Congress, we want you to know that this legislation was introduced in the hope that we can scale back recent efforts that hand over this dangerous amount of control to a bureaucratic agency—an agency which crime bill supporters have entrusted to tell the American people which firearms they can and cannot have. We believe that this is simply too much power that will no doubt be abused in the coming months by BATF unless we work to repeal it in Congress.

As a member of the new Republican majority in the House, I want you to join me to scale back the gun control measures enacted under this administration. Let us make history by stepping forward to ensure the permanent protection the second amendment, which has protected the American people for 218 years.

INTRODUCTION OF THE JOB CREATION AND INVEST IN AMERICA ACT OF 1995

HON. MAJOR R. OWENS
OF NEW YORK
HON. BERNARD SANDERS
OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. OWENS. Mr. Speaker, we and seven other members of the Progressive Caucus today are introducing one of the 11 bills of the Progressive Caucus Alternative—The Progressive Promise—to the Republican Contract With America. Our legislation will create at least 1 million new jobs for unemployed Americans in each of the next 2 years by rebuilding our Nation's highways, bridges, mass transit, and other physical infrastructure and by investing in job training and expanded services for the most needy in our society.

This major jobs bill goes to the heart of the sweeping legislative package that the 33 members of the Progressive Caucus unveiled 2 weeks ago as the only comprehensive legislative alternative brought forth in the Congress so far that charts a positive alternative course of policy action to the Republican Contract With America.

More specifically, our ambitious jobs bill will provide $63.6 billion in new investments to stimulate the national economy during fiscal years 1996 and 1997. It is fully paid for by eliminating tax loopholes that reward U.S.-based multinational corporations for investing abroad and exporting U.S. jobs and through targeted progressive tax increases that will fall principally upon the unearned income of upper-income Americans.

Beginning in the 1940's and reaffirmed by the Humphrey-Hawkins Act in 1978, Federal law has deemed 4 percent unemployment as the hallmark of a strong and stable economy. But now we are confronted with a Republican welfare reform plan that abandons our national commitment to training and providing jobs for millions of unemployed Americans who desperately want to work and attain some small measure of economic security for themselves and their families.

The members of the Progressive Caucus believe that it is cruel, short-sighted, and counterproductive to enact welfare reform legislation without providing jobs for millions of unemployed Americans who are ready, willing, and eager to be a part of the mainstream American economy.

Furthermore, we believe that fundamental fairness dictates that upper-income Americans who have received the biggest tax cuts during the last 15 years, as well as highly-profitable multinational corporations that have enriched themselves by investing huge sums of increasingly scarce capital to manufacture overseas and to take advantage of cheap, unprotected foreign labor, pay their share to retool and rebuild our Nation to compete more effectively in the 21st century.

Full employment is what America is about. It is our promise to ensure that every American has a job with an adequate income that enables individuals and families to join in the American dream. No one that is willing and able to work should be denied that opportunity or should have to work 40, 50, or 60 hours a week and still live in poverty.

This is not a new concept. It was the centerpiece of Franklin Delano Roosevelt's "Economic Bill of Rights," proposed in 1944 as part of his last State of the Union Message. In it he called for jobs for everyone willing and able to work. The Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights recognize work as a basic human right.

One in every 10 American families now puts food on the table only with the aid of food stamps. Tens of millions more survive on bare subsistence, from paycheck to paycheck. Millions have fallen into unemployment or underemployment.

In more and more abandoned neighborhoods in America, a lack of jobs, income, education, and hope has created an extraordinary climate of savagery and violence surpassing that of many communities in third world countries.

In 1978 with the passage of the Humphrey-Hawkins Full Employment and Balanced Growth Act, the U.S. Congress made a promise to Americans. Congress made a contract with America for full employment, where the national unemployment rate was not to exceed 4 percent.

Before we move on the Republicans' Contract With America and balance the budget on the backs of poor, hard-working Americans, we have an obligation to carry-out a 50-year-old promise for full employment. Five decades ago, our national leaders recognized what is still true today: that there are numerous economic and social costs to the Nation without full employment. Those costs were stated in the Humphrey-Hawkins legislation. Without full-employment we are:

Depriving our nation of the full supply of goods and services, the full utilization of labor and capital resources, and the related increases in economic well-being that would occur under conditions of genuine full employment;

Lacking sufficient output of goods and services to meet pressing national priorities;

Depriving workers of job security, income skill development, and productivity necessary to maintain and advance their standards of living;

Exposing many families to social, psychological, and physiological costs, including disruption of family life, loss of individual dignity and self-respect, and the aggravation of physical and psychological illnesses, alcoholism and drug abuse, crime and social conflicts;

Undermining Federal, State and local government budgets by deficits due to shortfalls in tax revenues and increases in expenditures for unemployment compensation, public assistance, and other recession-related services in the areas of criminal justice, alcoholism, drug abuse, and physical and mental health.

Depriving businesses, especially small businesses, of the production, sales, capital flow, and productivity necessary to maintain adequate profits, undertake new investment, create jobs, compete internationally, and contribute to meeting society's economic needs.

These days, more people at work is bad news for the economic pundits and financial speculators. Declining unemployment should be good news. Too many of those who do have work are employed in low-wage or dead-end jobs. Statistics reveal that in the first half of last year, for instance, 27 percent of all new jobs were in the temporary-help industry, and a further 26 percent were part-time. Less than half of the new jobs were private sector, non-temporary jobs. Manpower, Inc., the leading provider of temporary workers, is now the largest private employer in America.

If we look at wages we again see the decline in well-paying, permanent jobs. In the Reagan-Bush eighties, the hourly pay of four-fifths of the American workforce declined. The typical worker was paid 4.9 percent less than at the start of the decade. No wonder workers in the United States slipped from 1st to 13th in terms of the wages and benefits they receive.

Today, almost a third of the Nation's workforce—31 percent—is employed at poverty level pay. The current minimum wage, at $4.25 an hour, buys 26 percent less in purchasing power than the minimum wage did in 1970. Is it any surprise that a recently-published study found that low-paid American workers are the lowest paid workers in the industrialized world?

Federal Reserve Chairman Alan Greenspan insists that creating more jobs, and reducing unemployment, is bad for the economy. He is dead wrong.

What we need is more jobs. We need to create millions of decent-paying jobs, not encourage massive corporate downsizing. We need a bold and courageous Congress who will fight for the needs of the average American worker, not timid politicians whose vision is circumscribed by the campaign contributions of big money interests. It is time to address the jobs crisis that America, and American workers, are facing.

The Progressive Caucus is leading the way to a brighter future and taking the first large step forward, and today we invite others to join us in this effort. We encourage our colleagues to become cosponsors of this bedrock bill in our Progressive Promise—The Job Creation and Invest in America Act of 1995.

We call upon all Americans who want to build a stronger and more fair America to join in our commitment to create millions of jobs by investing billions of dollars to rebuild and upgrade America's physical infrastructure, clean-up the environment, and improve the skills of our workforce. In keeping with the fiscal challenge confronting our Nation in these times, we do not add a penny to the deficit, but pay for our investment program by cracking down on corporate welfare. We close tax loopholes for offshore production while rewarding U.S. companies that invest, produce, and create jobs in the United States. We require the wealthiest U.S. corporations and citizens to pay their fair share of taxes.

Finally, let us underscore that the jobs we seek to create are good-paying jobs. They are jobs rooted in upgrading our Nation's physical infrastructure and improving our Nation's human capital. They represent investments in restoring real, long-term, sustainable economic growth in America.

Retooling our national economy and basing it upon real economic growth and economic

justice also requires that working Americans have more real income to spend. In sponsoring this legislation, members of the Progressive Caucus are endorsing our Nation's 50-year national commitment to full employment. In the coming weeks and months, all of us who belong to the Progressive Caucus will be steadfast in offering low-income and middle-income Americans genuine hope for real jobs with livable wages and a chance to participate in the American dream.

TRIBUTE TO WALTER H. SHORENSTEIN

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Ms. ESHOO. Mr. Speaker, I rise today to honor Walter H. Shorenstein on the occasion of his 80th birthday and to celebrate his exemplary life of extraordinary contributions to our community and our country.

Walter Shorenstein began his career in real estate in 1946 after serving as a Major in the U.S. Air Force. Over the years, he has built the Shorenstein Co. into one of the oldest, largest and most well-respected privately owned real estate firms in the country, currently employing over 1,400 people.

Beyond his business success, Walter Shorenstein is a valued adviser to Presidents, a philanthropist who has given both time and money for the benefit of others, a lecturer of note and an ardent supporter of education. He was appointed by President Clinton to the Board of Directors of the Corporation for National Service and served as senior adviser to Presidents Johnson and Carter. He serves as an adviser to the Democratic leadership of the House and Senate. He is Chair of the San Francisco UN50 Committee to commemorate the 50th anniversary of the signing of the United Nations Charter in San Francisco. His numerous sponsorships, board memberships, and honors are a reflection of his dedication to art, culture, education, government, and philanthropy.

Walter Shorenstein's life has been enriched by his family: Carole, renowned producer of Broadway shows; a son, Douglas, President of the Shorenstein Co.; his grandchildren—Walter, Gracie, Brandon Jona, Sandra Joan and Daniella—have brought even more joy into his life. His lifelong partner in life, Phyllis, died in 1994, and their beloved and brilliant daughter, Joan, died in 1985.

Mr. Speaker, Walter Shorenstein is an outstanding citizen and a national treasure, and I am privileged to call him my friend. I ask my colleagues to join me in thanking Walter Shorenstein for his incomparable generosity and tireless service to our Nation, and in saluting him on yet another milestone in his life—his 80th birthday.

A SALUTE TO THE AMERICAN NEGRO LEAGUE: JAMES "COOL PAPA" BELL

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 2, 1995

Mr. CLAY. Mr. Speaker, this is Black History Month. Many black Americans who lived in the First Congressional District of Missouri, which I now represent, contributed significantly to the development of this great Nation. To name a few, Scott Joplin, Josephine Baker, W.C. Handy, and one in particular, James "Cool Papa" Bell.

Cool Papa, as he was affectionately called, will long be remembered in baseball as one who set early records by which future players were measured. He was such a fast runner that his friends often described his speed with comments like "He stole two bases at one time." However, his talent was not limited to running. Cool Papa was an all-around player.

Sports Illustrated recognized the outstanding talents and contributions of James "Cool Papa" Bell in a June 20, 1994, article entitled "No Place in the Shade." I would like to share that informative and entertaining tribute with my colleagues during our observance of great black Americans.

[From Sports Illustrated, June 20, 1994]

NO PLACE IN THE SHADE

(By Mark Kram)

In the language of jazz, the word gig is an evening of work; sometimes sweet, sometimes sour, take the gig as it comes, for who knows when the next will be. It means bread and butter first, but a whole lot of things have always seemed to ride with the word: drifting blue light, the bouquet from leftover drinks, spells of odd dialogue and most of all a sense of pain and limbo. For more than anything the word means black, down-and-out black, leavin'-home black, gonna-find-me-a-place-in-the-shade black.

Big shade fell coolly only on a few. It never got to James Thomas Bell, or Cool Papa Bell as he was known in Negro baseball, that lost caravan that followed the sun. Other blacks, some of them musicians who worked jazz up from the South, would feel the touch of fame, or once in a while have the thought that their names meant something to people outside their own. But if you were black and played baseball, well, look for your name only in the lineup before each game, or else you might not even see it there if you kept on dreamin'.

Black baseball was a stone-hard gig. It was three games a day, sometimes in three different towns miles apart. It was the heat and fumes and bounces from buses that moved your stomach up to your throat and it was greasy meals at fly-papered diners at three a.m. and uniforms that were seldom off your back. "We slept with 'em on sometimes," says Papa, "but there never was enough sleep. We got so we could sleep standin' up."

Only a half-mad seer—not any of the blacks who worked the open prairies and hidden ball yards in each big city—could have envisioned what would happen one day. The players knew a black man would cross the color line that was first drawn by the sudden hate of Cap Anson back in 1883, yet no one was fool enough to think that some bright, scented day way off among the gods of Cooperstown they would hear their past blared out across the field and would know that who they were and what they did would never be invisible again.

When that time comes for Papa Bell—quite possibly the next Hall of Fame vote [he was, in fact, inducted into the Hall in 1974]—few will comprehend what he did during all those gone summers. The mass audience will not be able to relate to him, to assemble an image of him, to measure him against his peers as they do the white player. The old ones like Papa have no past. They were minstrels, separated from record books, left as the flower in Thomas Gray's Elegy to "waste its sweetness on the desert air." Comparisons will have to do: Josh Gibson, the Babe Ruth of the blacks; Buck Leonard, the Lou Gehrig of his game; and Cool Papa Bell—who was he?

A comparison will be hard to find for Papa. His friend Tweed, whom Papa calls the Black Historian, a title most agreeable to Tweed, says that you have to go all the way back to Willie Keeler for Papa's likeness. Papa's way was cerebral, improvisational; he was a master of the little things, the nuances that are the ambrosia of baseball for those who care to understand the game. Power is stark, power shocks, it is the stuff of immortality, but Papa's jewellike skills were the object of shop talk for 28 winters.

Arthritic and weary, Papa quit the circuit 23 years ago, at age 47, ending a career that began in 1922. During that time he had been the essence of black baseball, which had a panache all its own. It was an intimate game: the extra base, the drag bunt; a game of daring instinct, rather than one from the hidebound book. Some might say that it lacked discipline, but if so, it can also be said that never has baseball been played more artfully, or more joyously. "Before a game," says Papa, "one of our big old pitchers, he'd say, 'Just get me a coupla runs, that's all.' You see we played tricky ball, thinkin' all the time: We get a run, they got to get two to beat ya. Right?"

The yellow pages of Tweed's scrapbooks don't tell much about the way it was, and they don't reveal much about Papa, either; box scores never explain. They can't chart the speed of Papa Bell. "Papa Bell," says Satchel Paige, "why he was so fast he could turn out the light and jump in bed before the room got dark!" Others also embellish: He could hit a hard ground ball through the box and get hit with the ball as he slid into second; he was so fast that he once stole two bases on the same pitch. "People can sure talk it, can't they?" says Papa.

Papa says he did steal two bases on one pitch, which was a pitchout. "The catcher was so surprised the way I was runnin' that he just held the ball," says Papa. "I asked him later what he doin' holdin' that ball, and he said he didn't know, 'cept he *never* seen a man run like that before in his life." It is also a reliable fact that once in Chicago, on a mushy field, he circled the bases in 13.1 seconds, two fifths faster than Evar Swanson's major league record. "On a dry field," he says, "I once done it in 12 flat."

Papa could run all right, and he could hit and field as well. He played a shallow centerfield, even more so than Willie Mays did when he broke in. "It doesn't matter where he plays," Pie Traynor once said. "He can go a country mile for a ball." As a hitter Bell had distance, but mainly he strove to hit the ball into holes; he could hit a ball through the hole in a fence, or drag a bunt as if it were on a string in his band. Bell never hit below .308, and one time when he was hitting

.390 on the last day of the season he purposely gave up his batting title; he was 43 at the time.

"Jackie Robinson had just signed with the Dodgers, and Monte Irvin was our best young player," says Papa. "I gave up my title so Monte would have a better chance at the majors. That was the way we thought then. We'd do anythin' to get a player up there. In the final two games of the season, a doubleheader, I still needed a few times at bat to qualify for the title. I got two hits in the first game and sat out the second. The fans were mad, but they didn't know what we were trying to do. After the season I was supposed to get the $200 for the title anyway, but my owner, he say, 'Well look, Cool, Irvin won it, didn't he?' They wouldn't give me the $200. Baseball was never much for me making' money."

Papa Bell earned $90 a month his first year, back in 1922. He would never make more than $450 a month, although his ability was such that later he would be ranked on Jackie Robinson's all-time team in the same outfield with Henry Aaron and Mays. Bill Veeck, who also saw Bell play, puts him right up there with Tris Speaker, Joe DiMaggio and Mays. "Cool Papa was one of the most magical players I've ever seen," says Veeck.

The money never bothered Papa; it was a game, a summer away from the packinghous. "Cept one time," adds Papa, "when one team told me to pay my expenses from St. Louis to Memphis. They'd give it to me back, they said. I get there, and they say no. Owner of the club was a dentist. I say to 'em I didn't come down here 'cause I got a toothache. So I went back home. Owners are owners, whether they are blue or green."

Papa spent the winters in the packinghouse until he learned of places like Havana and Vera Cruz and Ciudad Trujillo that competitively sought players from the Negro leagues. He will never forget that winter in Ciudad Trujillo. It was in 1937, he thinks, when Dominican strongman Rafael Trujillo was in political trouble. He had to distract the people, and there was no better way than to give them a pennant. First, Trujillo had his agents all but kidnap Satchel Paige from a New Orelans hotel. Then he used Paige to recruit the edge in talent from the States; namely Papa Bell and Gibson, who along with Orlando Cepeda, the storied father of the current Cepeda, gave the dictator a pat hand.

The look of that lineup still did not ease Trujillo's anxiety. "He wanted us to stay in pajamas," says Papa, "and all our meals were served to us in our rooms, and guards circled our living quarters." Thousands would show up at the park just to watch Trujillo's club work out, and with each game tension grew. "We all knew the situation was serious, but it wasn't until later that we heard how bad it was," says Papa. "We found out that, as far as Trujillo was concerned, we either won or we were going to lose big. That means he was going to kill us." They never did meet Trujillo. They saw him only in his convertible in the streets, all cold and white in that suit of his that seemed to shimmer in the hot sun, "A very frightenin' man," says Papa.

Truijillo got his pennant and his election. A picture of Papa's, taken near a large stream, shows the team celebrating; the dictator had sent them out of the city—along with their fares home and many cases of beer. It had been a hard buck, but then again it had never been easy, whether it was down in Santo Domingo or back up with the St. Louis Stars or the Pittsburgh Crawford or the Homestead Grays or the Chicago American Giants. East or west, north or south it was always the same: no shade anywhere as the bus rattled along, way down in Egypt land.

Papa took the bumps better than most. Some, like Gibson, died too young; some got lost to the nights. *Coolpapa*, as his name is pronounced by those who came from the South, well Coolpapa, he just "went on moving on." That was the way his mother taught him back in Starkville, Miss., where he was born in 1903; look, listen and never pounce, those were her words, and all of them spelled survival. Work, too, was another word, and Papa says, "If I didn't know anythin', I knew how to work."

Long days in the sun and well after the night slipped across the cotton fields, all that Papa and his friends could talk about was "goin' off." Papa says, "One day some boy would be there along with us, and then he'd be gone. 'Where'd he go? I'd ask. 'Why that boy, he done gone-off! someone'd say. Next you'd see that fella, why he'd be back home with a hat on and a big, bright suit and shiny shoes and a jingle in his pocket." They would talk of the great cities and what they would have when they, too, went off, and only sometimes would they hear about baseball. An old, well-traveled trainman used to sit under a tree with them on Sundays and tell them of the stars he had seen.

"Why, there's this here Walter Johnson," the trainman would say. "He can strike out anybody who picked up a bat!"

"Is that right?" Papa would ask.

"Sure enough, boy. You think I'd lie? Then there is two old boys named Ty Cobb and Honus Wagner. Well, they don't miss a ball, and they never strike out!"

"Never miss a ball?" gasped Papa. "Never strike out? Is that right?"

"I'm tellin' ya, boy. I've been to the cities and I know!"

"Well, mmm,mmm," Papa would shake his head. Only one thing botherin' me. What happen when this here Walter Johnson is pitchin', and these other two boys are battin'"

"Y'all go on!" the old man would yell, jumping up. "Y'all leave me alone. I'm not talkin' anymore. Don't non of ya believe. I should know. I've been to the cities!"

By the time he was 16, Papa was up north in St. Louis with several of this brothers and sisters, who were already in the packinghouse. "Didn't want to know 'bout ball them," says Papa. "Just wanted to work like a man." His brother suggested that he play ball on Sundays. "'James,' he said, 'you a natural. You throw that knuckleball, and their ain't nobody going to hit it.'" Soon he was facing the lethal St. Louis Stars of the Negro National League. "They were a tough club," says Papa. "And mean! They had a fella named Steel Arm Dicky. Used to make moonshine as mean as he was on the side. His boss killed him when he began to believe Steel Arm weren't turnin' in all the profits."

Bell impressed the Stars, and they asked him to join them. "All our players were major leaguers," says Papa. "Didn't have the bench to be as good as them for a whole season—we only carried 14, 15 players. But over a short series we could have taken the big leaguers. That October we played the Detroit Tigers three games and won two of them. But old Cobb wasn't with them, 'cause 12 years before a black team whipped him pretty good, and he wouldn't play against blacks anymore. Baseball was all you thought of then. Always thinkin' how to do things another way. Curve a ball on a 3–2, bunt and run in the first innin'. That how we beat big league teams. Not that we had the best men, but we outguessed them in short series. It's a guessin' game There's a lot of unwritten baseball, ya know."

The Stars folded under the Depression. Papa hit the road. An outfielder now, he was even more in demand. He finally began the last phase of this career, with the Washington Homestead Grays; with Gibson and Leonard and Bell, it was one of the most powerful clubs in the black leagues' history, or anybody's history for that matter. "I was 'bout 45 then," says Papa. "Had arthritis and was so stiff I couldn't run at times. They used to have to put me in a hot tub. I had to get good and warm before I could move." Yet, he had enough left to convince Jackie Robinson that he should never try to make it as a shortstop.

"It was all over the place that Jackie was going to sign with the Dodgers," says Papa. "All us old fellas didn't think he could make it at short. He couldn't go to his right too good. He'd give it a backhand and then plant his right leg and throw. He always had to take two extra steps. We was worried He miss the chance, and who knows when we'd get another chance? You know they turned him down in Boston. So I made up my mind to show him he should try for another spot in the infield. One night I must've knocked couple hundred ground balls to his right, and I beat the throw to first every time. He got the message. He played a lot of games in the majors, only one of 'em at short."

Papa was named to manage the Kansas City Monarchs' B team in 1948, the agreement being that he would get one third of the sale price for any player who was developed by him and sold to the majors. He had two prospects in mind for the Browns. "But the Browns didn't want them," says Papa, shaking his head. I then went to the Cardinals, and they say they don't care, either, and I think to myself, My, if they don't want these boys, they don't want nobody." The Monarchs eventually sold the pair: Ernie Banks and Elston Howard. "I didn't get anythin'," says Papa. "They said I didn't have a contract. They gave me a basket of fruit. A basket of fruit! Baseball was never much for me makin' money."

Life began all over for Papa. He took a job at the city hall in St. Louis as a custodian and then a night watchman. For the next 22 years the routine was the same, and only now and then could he go to a Cardinal game. He would pay his way in and sit there in the sun with his lunch long before the game began; to those around him who wondered about him, he was just a Mr. Bell, a watchman. He would watch those games intently, looking for tiny flaws like a diamond cutter. He never said much to anyone, but then one day he was asked by some Dodgers to help Maury Wills. "He could run," he says. "I wanted to help." He waited for Wills at the players' gate and introduced himself quietly.

"Maybe you heard of me," Papa said, "maybe not. It don't matter. But I'd like to help you."

Wills just looked at him, as Papa became uneasy.

"When you're on base," said Papa, "get those hitters of yours to stand deep in the box. That way the catcher, he got to back up. That way you goin' to get an extra step all the time."

"I hadn't thought of that," said Wills, who went on to steal 104 bases.

"Well, Papa smiled, "that's the kind of ball we played in our league. Be seein' you, Mr. Wills. Didn't mean to bother you."

After that year Papa seldom went to the ballpark anymore. He had become a sick man, and when he walked, his arthritic left side seemed to be frozen. There was just his job now. In the afternoons he would walk up to the corner and see what the people were up to, or sit silently in his living room turning the pages of his books of pictures: all the old faces with the blank eyes; all of those many different, baggy uniforms.

Nights were spent at city hall, making his rounds, listening to the sound of radio baseball by the big window, or just the sound of the hours when winter mornings moved across the window. When it was icy, he would wait for the old people to come, and he would help them up the steps. Often, say about three a.m., he would be looking out the window, out across to the park where the bums would be sleeping, their wine bottles as sentries, and he would wait for their march on the hall. They would come up those steps and place their faces up against the window, next to his face and beg to be let in where it was warm.

"We're citizens, old Bell, let us in," they would yell.

"I know," Papa would say.

"It's cold out here," they would say.

"I know," he would answer.

"No, you don't, you. . . ." And Papa would just look away, thinking how cold it was outside, trying to think of all the things that would leave him indifferent to those wretched figures. Then it would be that he sometimes would think of baseball, the small things he missed about it, things that would pop into his mind for no reason: a certain glove, the feel of a ball and bat, a buttoning of a shirt, the sunlight. "You try to get that game out of your mind," he says, "but it never leaves ya. Somethin' about it never leaves ya."

Papa Bell is 70 now [he died in 1991, at 87]. He lives on Dickson Street in North St. Louis, a neighborhood under seige: vacant, crumbling houses, bars where you could get your throat cut if you even walked in the wrong way, packs of sky-high dudes looking for a score. They have picked on Papa's house a couple of times, so now when he feels something in the air, hears a rustle outside of his door, he will go to the front window and sit there for long hours with a shotgun and a pistol in his lap. "They don't mess with Papa anymore," says his friend Tweed, looking over at Papa sitting in his city hall retirement chair. "It's a reclinin' one," says Tweed. "Show 'im how it reclines, Papa."

Now the two of them, Tweed and Papa, who sits in his chair like a busted old jazz musician, torn around the edges but straight with dignity, spend much time together in Papa's living room. They mull over old box scores, over all the clippings in Tweed's portable archives. They try to bring continuity of performance to a man's record that began when nobody cared. They assemble pictures to be signed for people who write and say that they hear he will be going into the Hall of Fame; the days are sweet.

"Can't believe it," says Tweed. "Can you, Papa? Papa Bell in the Hall of Fame. The fastest man who ever played the game."

"Ain't happened yet," cautions Papa, adjusting his tall and lean figure in his chair.

"Tell me, Papa," says Tweed. "How's it goin' to feel? The Hall of fame . . . mmm, mmm."

"Knew a fella blowed the horn once." says Papa. "He told me. He say, 'Ya got to take the gigs as they come.'"